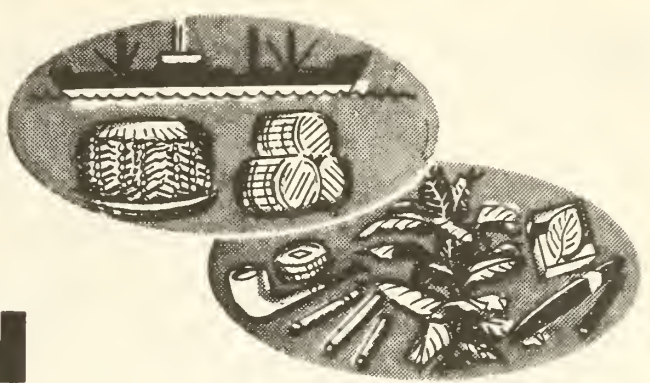


Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

EC752F
TS
Cop. 2

TOBACCO SITUATION



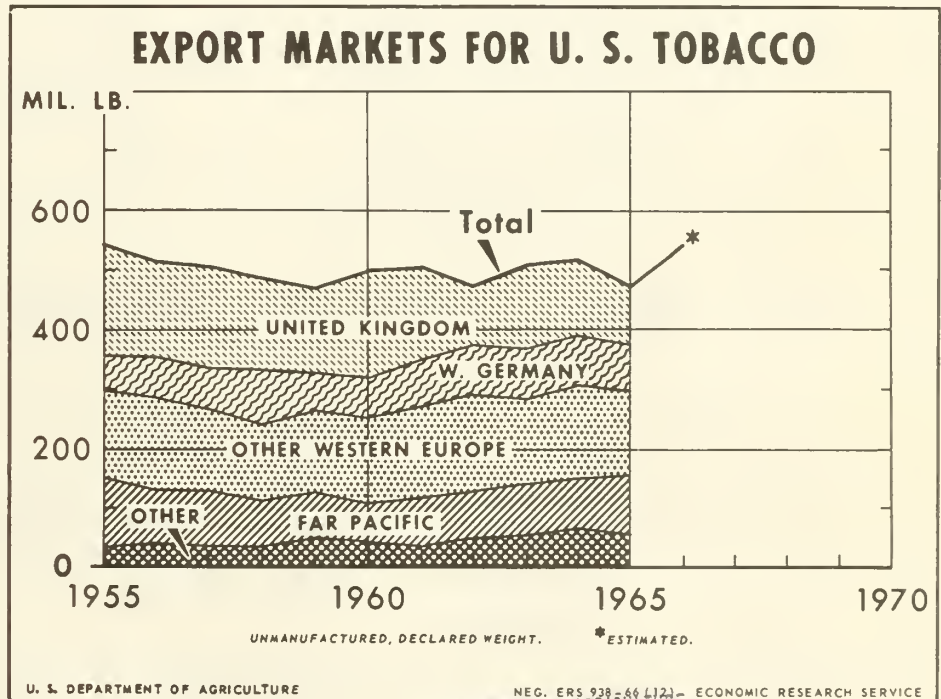
TS-118

For Release December 30, P.M.

DECEMBER 1966

U.S. exports of unmanufactured tobacco in 1966 are estimated at about 540 million pounds (export weight) --15 percent above 1965 and the largest since 1955. Exports to Britain, W. Germany, and several other countries were up substantially.

In the year ending June 30, 1967, exports may be about a fifth above 1965/66. Favoring U.S. exports are improved quality of recent flue-cured crops, the export payment program, and growth in overseas cigarette consumption. Mandatory United Nations sanctions against Rhodesian tobacco--replacing voluntary sanctions--will continue to stimulate foreign purchases of U.S. tobacco.



IN THIS ISSUE

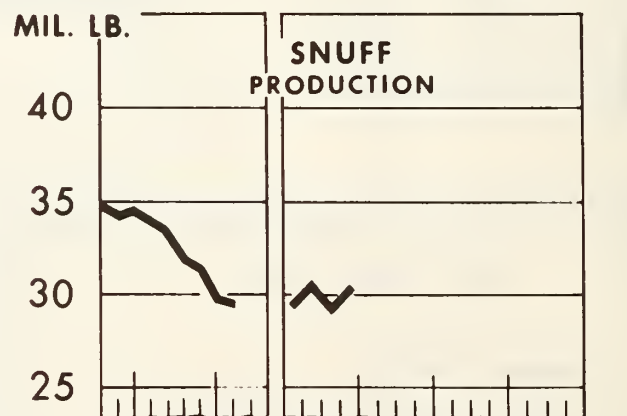
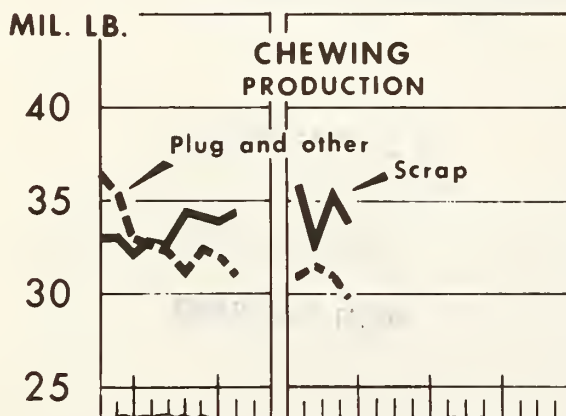
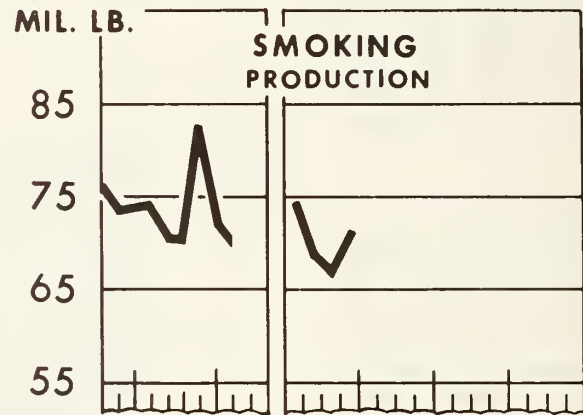
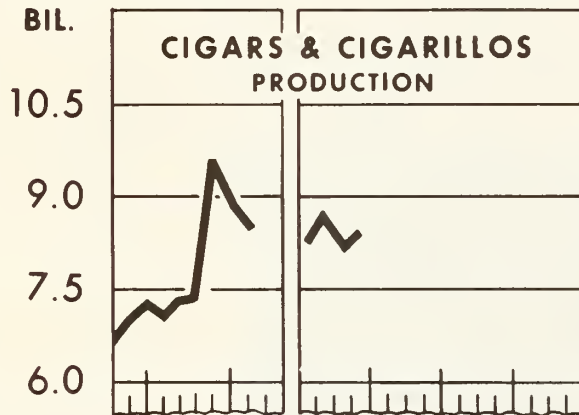
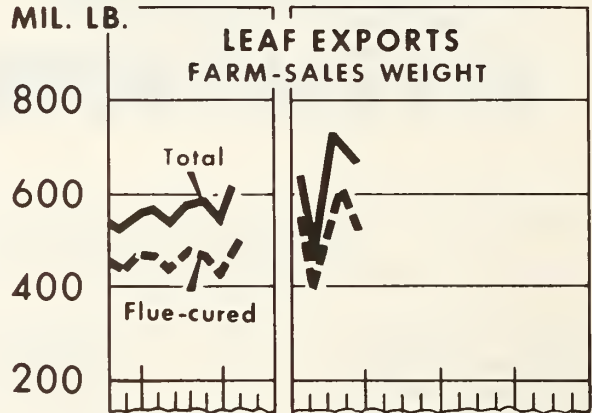
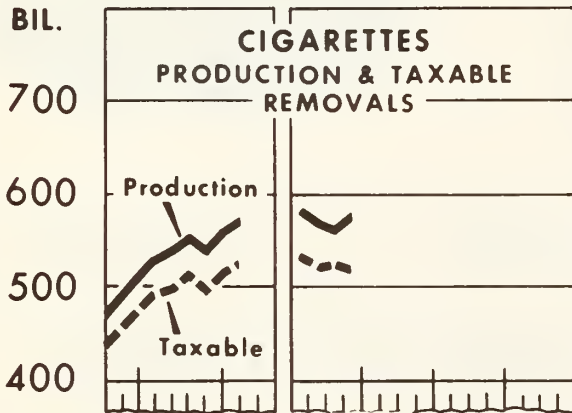
Tobacco Products
Exports and Foreign Tobacco
Tobacco Imports
Leaf Supplies and Use

Published quarterly by
ECONOMIC RESEARCH SERVICE • U. S. DEPARTMENT OF AGRICULTURE

U. S. DEPT. OF AGRICULTURE
NATIONAL AGRICULTURAL LIBRARY
DEC 31 1970
CURRENT SERIAL RECORDS

TOBACCO OUTLETS

Recent Trends in Manufactured Products and Exports



1960 '65 '66 '67 '68 '69

1960 '65 '66 '67 '68 '69

ANNUAL

ANNUAL

QUARTERLY,
SEASONALLY ADJUSTED,
AT ANNUAL RATES

QUARTERLY,
SEASONALLY ADJUSTED,
AT ANNUAL RATES

1966 ANNUAL AND LAST QUARTER, ESTIMATED

- - - - -
T H E T O B A C C O S I T U A T I O N
- - - - -

Approved by the Outlook and Situation Board, December 21, 1966

CONTENTS			
	Page		Page
: Summary	3	: Tobacco leaf situation	20
: Tobacco products	5	: Flue-cured, types 11-14	20
: Cigarettes	5	: Burley, type 31	27
: Cigars, cigarillos, and		: Maryland, type 32	31
: small cigars	7	: Fire-cured, types 21-23	33
: Smoking tobacco	9	: Dark air- and sun-cured,	
: Bulk smoking tobacco exports	10	: types 35-37	36
: Chewing tobacco	10	: Cigar tobacco	40
: Snuff	12	: Filler, types 41-46	
: U.S. tobacco exports and related		: Binder, types 51-55	
: items	12	: Wrapper, types 61-62	
: Foreign production and exports ..	14	: Foreign cigar tobacco	
: British tobacco use and stocks ..	15	: Special-purpose tables	49
: U. S. imports of tobacco (for		: Statistical summary	53
: consumption and general)	17	: List of tables and charts	55

SUMMARY

Cigarette output and consumption in 1966 were above any previous year. Consumption of cigars and cigarillos in 1966, though below each of the 2 preceding years, topped any other year since 1920. The 1966 output of smoking tobacco for pipes and "roll-your-own" cigarettes was probably down a little from 1965 and perhaps the lowest on record. Output of chewing tobacco was probably close to the 1965 level, but output of snuff likely edged slightly downward from a year earlier.

The 1966/67 total supply of flue-cured tobacco--the leading cigarette and export tobacco--is 2 percent below 1965/66 and 6 percent below the record 1964/65 level. Carryover stocks in mid-1966 were down $4\frac{1}{2}$ percent from the record high of a year earlier. The 1966 crop was about 4 percent above the relatively small 1965 crop. Prices received by growers in all Belts combined averaged near 67 cents, about $2\frac{1}{2}$ cents above 1965 and above any previous season, but in the Middle and Old Belts were third and second highest for any season, respectively. About 7 percent of the 1966 crop was placed under loan--nearly the same proportion as in 1965. During the past year, sales from older crop loan stocks have been substantial. A big increase in exports of flue-cured is likely in the current marketing year. This would result in a further sizable reduction in carryover by mid-1967. On November 23, 1966, the Secretary of Agriculture announced that the 1967 national flue-cured quota--the third under the acreage-poundage program--would be the same as in 1966. Though the national quota is unchanged, marketings in 1967 may be around one-tenth larger than in 1966. Many individual growers marketed less than their allocated quotas in 1966, and under the acreage-poundage program they are entitled to make up these undermarketings in the 1967 season.

The 1966/67 total supply of burley tobacco--the second ranking cigarette tobacco--is about $3\frac{1}{2}$ percent below the comparatively high average level of the preceding 2 years. Carryover on October 1, 1966, was $1\frac{1}{2}$ percent below the record high of a year earlier. The 1966 burley crop is estimated at 6 percent below 1965. Though harvested acreage was down 13 percent--reflecting the cut in acreage allotments--yields per acre averaged record high, partly offsetting the acreage reduction. Auctions for burley began November 28, and by December 20--when markets closed until after the holidays--about two-thirds of the crop had been sold. Prices averaged 68.3 cents per pound--about $\frac{1}{2}$ cent above the comparable average of 1965, and exceeding any previous year. The 1967 burley marketing quota and acreage allotment (under the acreage allotment program in effect) must be announced by the Secretary of Agriculture by February 1, 1967. Under the law, the Secretary could announce at the same time a national quota for burley under an acreage-poundage program, if he determined that acreage-poundage quotas would result in a more effective program. If more than two-thirds of the growers voting in a referendum approved an acreage-poundage program, it would become operative in 1967. If not, the acreage allotment program would continue.

Marketing quotas and acreage allotments for Maryland, fire-cured, dark air-cured, sun-cured and certain cigar tobaccos also must be announced by February 1, 1967. Referendums will be held shortly thereafter in the Maryland, fire-cured and dark air-cured tobacco areas to determine whether or not growers favor marketing quotas (on an acreage allotment basis) for their 1967, 1968 and 1969 crops. Growers of the sun-cured and certain cigar tobaccos voted in previous referendums in favor of quotas applicable to their 1967 crops.

Government price support must be provided for the kinds of tobacco under marketing quotas. When growers disapprove quotas, however, Government price support cannot be offered. Price support levels for the 1967 crops will be established by raising the 1959 levels in accordance with the percentage rise in the parity index from 1959 to 1964-66 (its average for the 3 most recent calendar years). Over a period of time, the parity index measures average change in the prices of commodities and services commonly bought by farm families. Available data indicate that tobacco crop price supports will again increase 2 percent from 1966 to 1967. The increase of 2 percent from 1965 to 1966 compares with a 1 percent rise in each of the 4 previous years.

The 1966/67 total supplies of Virginia and Kentucky-Tennessee fire-cured, Virginia sun-cured, Pennsylvania filler, Connecticut Valley binder, and Southern Wisconsin tobaccos are below a year earlier. The 1966/67 supplies of Kentucky-Tennessee dark air-cured, Ohio filler and Northern Wisconsin tobacco, and Georgia-Florida wrapper are close to their 1965/66 levels, but the 1966/67 supply of Connecticut Valley wrapper rose to a new high.

The 1966/67 total supply of Maryland tobacco is estimated to be record-high--slightly topping the 1965/66 level. The reduction in the 1966 crop--caused mainly by dry weather--was not quite enough to offset the estimated rise in carryover to a new high.

Stocks of imported cigarette leaf on October 1, 1966 were well above a year earlier and above any previous October. Stocks of major imported cigar tobaccos, except Philippine tobacco, dropped sharply from the October highs of 1965.

U.S. cigarette output in 1966 is estimated at 571 billion-- $2\frac{1}{2}$ percent above 1965 and 6 percent above 1964. U.S. smokers (including those overseas) consumed about 542 billion compared with 529 billion in 1965. Estimated exports of cigarettes totaled about 24 billion--up about 1 billion from 1965. Estimated shipments to Puerto Rico and other U.S. islands--at 4 billion--were slightly ahead of a year earlier. In 1967, U.S. cigarette consumption seems likely to show a further modest rise due to the increase in adult population and strong consumer buying power.

Legislation enacted in 1965 requires the Department of Health, Education, and Welfare to report to Congress by July 1, 1967, concerning current information on smoking and health. The Federal Trade Commission is also required to report by that date on the effectiveness of cigarette labeling, and on cigarette advertising and promotion.

The 1966 consumption of cigars and cigarillos by U.S. smokers is estimated at about 8,360 million--3 percent below 1965. The downtrend in cigar consumption since the 1964 record high showed some tendency to level off during September-October of this year. While no marked change in U.S. cigar consumption appears likely in 1967, it might increase some over 1966.

The 1966 output of smoking tobacco for pipes and roll-your-own cigarettes was probably near 70 million pounds--2½ percent below 1965. Imports of smoking tobacco showed a sizable increase and likely accounted for around 4 percent of total U.S. consumption.

The 1966 output of chewing tobacco may be about 65 million pounds--virtually the same as 1965. Since 1960 the combined output of the different categories of chewing tobacco has stayed fairly level--increases in scrap and fine-cut about offsetting decreases in plug and twist. The 1966 output of snuff is estimated at 29½ million pounds--down slightly from 1965 to a long-time low.

The United States is the leading tobacco exporting country (tobacco has been one of this country's top 5 agricultural exports for many years). In the past decade, however, expanded production and exports of foreign areas substantially reduced the U.S. share of the Free World tobacco trade. Rhodesia is one of the areas that greatly increased its production and exports of flue-cured--the leading kind traded around the world. Voluntary sanctions against Rhodesian tobacco have contributed to an increase in U.S. tobacco exports. Mandatory sanctions voted December 16, 1966, by the United Nations will continue to stimulate foreign purchases of U.S. tobacco during the period such sanctions are effectively applied against Rhodesian tobacco. In calendar 1966, U.S. exports of unmanufactured tobacco are estimated at about 540 million pounds (approximately 615 million farm-sales weight)--about 15 percent above 1965. In the year ending June 30, 1967, total U.S. exports of tobacco may be about a fifth above 1965/66, when they were second lowest in 11 years. Favoring U.S. tobacco exports are the improved quality of recent flue-cured crops, the export payment program, and the continued growth in overseas cigarette consumption.

TOBACCO PRODUCTS

Cigarettes

In 1966, cigarette output in the United States and cigarette consumption by U.S. smokers exceeded any previous year. Total 1966 output of cigarettes is estimated at 571 billion--2½ percent above 1965 and 6 percent above 1964. Consumption by U.S. smokers accounted for 95 percent of the output, while exports to foreign markets and shipments to Puerto Rico accounted for nearly all the other 5 percent.

Consumption by U.S. smokers (including overseas forces) during 1966 is estimated at 542 billion, compared with 529 billion in 1965. In 1964--the year the Surgeon General's smoking-health report was published--cigarette consumption dipped to 511 billion from 524 billion in 1963. The 1966 increase in cigarette consumption by U.S. smokers largely results from more people of smoking age, high levels of consumer income, and heavier shipments to overseas armed forces. The same factors are likely to bring about a further modest rise in cigarette consumption in 1967. It is estimated that the adult population will increase about 1½ percent during 1967--close to the increase during 1966. Economic activity is expected to continue upward in 1967, though at a slower pace, and consumer buying power is likely to be strong in the year ahead.

Table 1 .--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption	Shipments to		Exports
			Overseas forces and other 1/	Puerto Rico and U. S. islands 2/	
	Billions	Billions	Billions	Billions	Billions
Average: 1950-54	414.2	377.9	18.4	1.9	15.8
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960	506.9	470.1	14.3	2.5	20.2
1961	528.3	488.1	14.6	2.8	22.2
1962	535.5	494.5	13.9	3.1	24.1
1963	550.6	509.6	14.3	3.2	23.6
1964	539.9	497.4	13.8	3.7	25.1
1965	556.8	511.5	17.2	3.9	23.1
1966 3/	571.0	522.5	19.5	4.0	24.0

1/ Also includes ship stores and small tax-exempt categories. 2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands. 3/ Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 2 .--Cigarette exports from the United States to leading destinations for specified periods

Country	Average 1959-63	1964	1965	January-October		
				1965	1966 <u>1/</u>	1966 as a percentage of 1965
	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
Hong Kong	1,678	2,561	2,648	2,186	1,916	88
Spain	639	2,252	1,823	1,459	1,673	115
Netherlands Antilles	977	1,135	1,292	1,089	1,115	102
Malaysia	1,309	1,118	1,268	1,008	<u>2/</u> 673	67
Kuwait	914	1,425	1,123	957	987	103
France	1,391	1,339	1,035	890	843	95
Paraguay	124	684	967	693	1,134	164
Ecuador	428	569	712	556	509	92
Panama <u>3/</u>	524	853	651	529	528	100
Italy	669	709	645	528	559	106
Lebanon	354	550	630	470	431	92
West Germany	538	543	523	479	590	123
Belgium	1,023	720	511	410	363	89
Netherlands	569	617	503	422	536	127
Peru	473	598	503	394	352	89
Other countries <u>4/</u>	10,334	9,471	8,218	6,991	7,729	111
Total all countries	21,944	25,144	23,052	19,061	19,938	105

1/ Subject to revision. 2/ Includes Singapore. 3/ Includes Canal Zone. 4/ Includes around 100 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.

According to consumer price indexes of the Bureau of Labor Statistics, cigarette prices in September 1966 (latest index available on cigarettes) had risen about $3\frac{1}{4}$ percent since December 1965, and were $11\frac{1}{2}$ percent higher than in December 1964. (The September 1966 index for prices of all consumer items was 2.8 percent above December 1965, and 4.9 percent above December 1964.) The 1966 increase in cigarette prices mainly reflects price advances at the manufacturers' level in March-May, while the larger 1965 increase reflected higher cigarette taxes imposed by many States and New York City.

Legislation enacted in 1965, in addition to prescribing a cautionary statement on cigarette packages, requires certain reports to the Congress by July 1, 1967, and annually thereafter. Reports are required from the Department of Health, Education, and Welfare concerning current information on smoking and health, and from the Federal Trade Commission on the effectiveness of cigarette labeling, and on current practices and methods of cigarette advertising and promotion. Such recommendations for legislation as deemed appropriate are also to be reported.

The Federal Trade Commission is establishing a laboratory to make regular and continuing tests of the tar and nicotine level in the mainstream smoke of cigarettes. This laboratory facility is expected to be operational in the near future. The Chairman of the Senate Commerce Committee has requested the Federal Trade Commission to report to Congress quarterly, through the Senate Commerce Committee, on the comparative tar and nicotine ratings of the major cigarette brands.

Exports of cigarettes in 1966 are estimated at about 24 billion--4 percent above 1965. Cigarette exports have remained within a fairly narrow range in the past 5 years. A substantial rise in exports of manufactured bulk tobacco has occurred, however, and a sizable portion of this goes into American-type cigarettes manufactured in foreign countries by companies that are subsidiaries of U.S. firms, or have licensing arrangements with them. During the first 10 months of 1966, cigarette exports to Hong Kong and Malaysia--two of the top destinations--declined below those in the year-earlier period, but there was a considerable rise to Spain--second ranking outlet. There were relatively sharp increases in cigarette exports to Paraguay, West Germany, and the Netherlands. (See table 2.)

Cigars, Cigarillos, Small Cigars

U.S. smokers (including those overseas) smoked an estimated 8,360 million cigars and cigarillos in 1966--about 3 percent less than 1965. The estimated 1966 cigar consumption is 8 percent below the record 1964 level, but 15 percent higher than in 1963. The downward trend in cigar consumption since 1964 showed some tendency to level off during September-October of this year. While no marked change in U.S. cigar consumption appears likely in 1967, it might increase some over 1966.

The number of cigars and cigarillos priced to sell at 2.6 to 6 cents apiece (the price bracket that includes most cigarillos) during January-October 1966 was about $3\frac{1}{2}$ percent lower than a year earlier. Cigars in the 6.1-to-8 cent bracket dropped $8\frac{1}{2}$ percent below a year earlier. The number of cigars selling for more than 8 cents apiece was down 3 percent from a year earlier. The percentage distribution of cigars according to specified retail price ranges, compared with earlier periods follows:

Retail price range	1963	1964	1965	January-October	
				1965	1966
(Cents per cigar)	Pct.	Pct.	Pct.	Pct.	Pct.
2.5 cents or less	0.3	1.8	1.6	1.6	1.5
2.6 - 6.0	45.1	48.5	48.7	49.0	49.2
6.1 - 8.0	12.7	11.5	10.3	10.2	9.7
Over 8.0	41.9	38.2	39.4	39.2	39.6
Total	100.0	100.0	100.0	100.0	100.0

Table 3 .--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States 1/			From	Imports for consumption		Exports	Total con- sumption 3/
	Total output	Removals		Puerto Rico: taxable	Total 2/	From Philippine Republic		
		Taxable	Tax- exempt					
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
Average: 1950-54	5,902	5,818	83	13	15	2	4	5,925
1955	6,004	5,915	82	84	20	5	6	6,095
1956	5,998	5,863	72	93	23	4	9	6,042
1957	6,145	5,995	79	124	26	5	9	6,215
1958	6,469	6,260	87	137	28	4	9	6,503
1959	6,857	6,717	103	148	31	5	4/10	6,989
1960	6,991	6,728	105	198	32	6	4/11	7,052
1961	6,642	6,558	118	354	24	8	4/16	7,038
1962	6,684	6,442	126	483	23	14	4/19	7,055
1963	6,716	6,621	144	526	24	15	33	7,282
1964	8,736	8,122	193	809	28	13	44	9,108
1965	7,899	7,577	180	911	25	9	55	8,638
1966 5/	7,250	7,100	200	1,110	25	10	75	8,360

^{1/} Includes output and removals of bonded manufacturing warehouses--a category in which no facilities have been classified since February 1964. ^{2/} Prior to the embargo on imports from Cuba (effective February 1962), the major share of imported cigars came from Cuba. ^{3/} Total removals from U. S. factories plus those from Puerto Rico, and imports, minus exports. ^{4/} Estimated--excludes little cigars. ^{5/} Estimated.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 4 .--Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	Millions	Millions	Millions	Millions
Average: 1950-54	64.9	65.0	64.2	0.8
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.8
1961	158.2	152.9	146.1	6.8
1962	164.0	162.9	155.8	7.1
1963	281.4	272.4	264.2	8.2
1964	973.9	973.8	939.7	34.1
1965	440.7	457.8	434.7	23.1
1966 ^{1/}	450.0	450.0	435.0	15.0

^{1/} Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

Based on the Bureau of Labor Statistics index, consumer prices for regular size cigars (domestic) in September 1966 were about 2 percent higher than in December 1965 and 2.4 percent above December 1964.

The number of cigars manufactured in Puerto Rico and shipped to the U. S. mainland continued to rise. Cigars from Puerto Rico will probably account for over 13 percent of total U.S. consumption in 1966, compared with $10\frac{1}{2}$ percent in 1965 and less than 7 percent 5 years ago.

The 1966 imports of cigars from foreign countries for consumption in the United States are estimated at close to the 25 million imported in 1965. About two-fifths of U.S. cigar imports come from the Philippine Republic; the next ranking sources are the Netherlands, Canary Islands, Jamaica, Brazil and Mexico.

U. S. exports of cigars to foreign countries in 1966 are estimated at a record 75 million--up 20 million from 1965. France--the leading destination--took over 3 times as many in January-October 1966 as in the year-earlier period. Cigar exports to Canada--second ranking destination--held about even with a year earlier. These two destinations accounted for over half the January-October exports of cigars. Among the next ranking export outlets for cigars, Iceland took nearly as much as a year earlier, Japan more than doubled its takings, the Bahamas took moderately more, but cigar exports to Britain were down more than one-fifth. Compared with a year earlier, cigar exports to Panama, Australia, Belgium, Greece, the Netherlands Antilles and Lebanon showed sharp percentage increases in January-October 1966, but there were small decreases to Portugal and Kuwait.

The 1966 taxable removals of small cigars (about cigarette size--not over 3 pounds per 1,000) may approximate 435 million--nearly the same as in 1965. Consumption of small cigars in each of the past 2 years was less than half the unusually high 1964 figure, but 65 percent above the 1963 level.

Smoking Tobacco

Production of smoking tobacco for pipes and "roll-your-own" cigarettes in 1966 probably totaled about 70 million pounds-- $2\frac{1}{2}$ percent below a year earlier. Such output would be 15 percent below 1964, when there was an upsurge in pipe smoking following the smoking-health report issued early that year. The estimated 1966 production, however, would be near the levels of 1962 and 1963. Available data indicates that production in January-September 1966 was 3 percent below a year earlier, but fourth quarter output may have exceeded the relatively low level of the like 1965 period.

Manufacturers' domestic sales of smoking tobacco in January-September 1966, reported by the Consumer and Marketing Service, USDA, were 5 percent below taxable removals for January-September 1965, reported by the Internal Revenue Service. (The C&MS report was initiated in 1966, when IRS discontinued publishing statistics on smoking and chewing tobacco and snuff upon repeal of the Federal excise tax on these products.) For calendar 1966, these sales probably totaled around 65 million pounds--about $3\frac{1}{2}$ percent below the previous year's taxable removals.

The quantity of smoking tobacco reported by C&MS as "invoiced for export"--comparable to tax-exempt removals formerly reported by IRS--jumped 45 percent in January-September 1966, compared with the IRS figure for a year earlier. This category includes exports for foreign markets and shipments to overseas forces. For calendar 1966, the total may have exceeded 4 million pounds, highest in many years.

The Bureau of the Census currently does not report separate statistics on imports of smoking tobacco, but such imports make up most of the total reported in the import classification covering manufactured tobacco. In January-October 1966, these imports were 27 percent larger than a year earlier, and for 1966 as a whole probably reached at least 3 million pounds--a record high. Of the January-October 1966 total, the Netherlands furnished 78 percent, the United Kingdom 8 percent, and Denmark 5 percent. Imported smoking tobacco probably made up around 4 percent of total U.S. consumption of smoking tobacco in 1966, compared with 3 percent in 1965.

Exports of packaged smoking tobacco in January-October 1966 were 2 percent above those a year earlier. Canada increased its takings 15 percent; West Germany and Iceland increased theirs 56 and 82 percent, respectively. Other countries taking significantly more than a year ago included Denmark, Hong Kong, and Finland. Reduced exports went to Australia, Japan, Sweden, and Italy. Some was shipped to Kuwait, in contrast with none a year earlier.

Smoking Tobacco In Bulk for Export

The smoking tobacco in bulk export category includes specially prepared tobacco, cut or granulated tobacco, partially processed blended tobacco, and shredded tobacco. It also includes processed sheet tobacco and "blended strips" or stemmed tobacco consisting of more than one kind--principally blended flue-cured and burley.

Exports of smoking tobacco in bulk have increased steadily in recent years, and in calendar 1966 probably approximated 15 million pounds--up around $1\frac{1}{2}$ million from 1965. In January-October 1966, these exports were about a fourth above those a year earlier. Shipments to Peru (our leading outlet) amounted to nearly 2 million pounds--more than 6 times its takings in January-October 1965. The Netherlands took 1.3 million pounds, contrasted with only 34,000 a year earlier. There were also substantial gains in exports to the Dominican Republic, Spain, Ecuador, Bolivia, Finland, Italy, and Australia; exports to Panama were up moderately, and to Haiti, were up a little. Exports to Switzerland and Mexico (which in 1965 had ranked first and second, respectively, as foreign markets for bulk smoking tobacco) plummeted 84 percent, and 96 percent, respectively.

Chewing Tobacco

Chewing tobacco output in 1966 probably totaled about 65 million pounds--virtually equal to production in 1965. Production of scrap chewing, which made up 53 percent of all chewing, probably was up some, but plug chewing, comprising 37 percent, probably declined a little.

Twist and fine-cut made up the rest of chewing tobacco production in 1966. Production of twist was about the same as in 1965, but fine-cut output gained a little. Fine-cut chewing manufacture has trended upward, and the 1966 estimated output is 1 million pounds larger than 10 years earlier--an increase of approximately a third.

All except a small fraction of chewing tobacco output is consumed domestically. Exports of chewing declined steadily during the past decade or so, and by 1965 were only about a fourth of what they were 10 years earlier. In January-October 1966, however, exports were 8 percent above the corresponding period of 1965, due to a big jump in takings by Australia, our principal outlet. A significant shipment was made to the Dominican Republic, but smaller exports than a year earlier went to French Pacific Islands, Trust Territory of the Pacific Islands, and Netherlands Antilles.

Table 5 .--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals ^{1/}		Imports ^{2/}	Exports, in packages	Total consumption ^{3/}	Exports, smoking tobacco in bulk ^{4/}
		Taxable ^{1/}	Tax-exempt ^{1/}				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average 1950-54	95.2	92.0	3.2	0.1	0.6	94.7	3.0
1955	80.0	77.7	2.3	.1	.5	79.6	6.2
1956	71.5	69.9	1.7	.1	.6	71.1	5.7
1957	70.5	68.7	1.7	.2	.6	70.0	4.4
1958	76.0	74.0	2.0	.4	.7	75.7	7.5
1959	73.2	71.2	1.9	.7	.7	73.1	8.5
1960	73.8	71.3	2.3	.9	.9	73.6	7.7
1961	74.2	71.4	2.5	1.3	.8	74.4	9.0
1962	70.9	68.3	2.6	1.5	.9	71.5	8.6
1963	70.4	68.0	2.2	1.6	.9	70.9	9.8
1964	82.5	79.0	3.4	2.7	1.4	83.7	12.3
1965	71.8	67.3	3.0	2.1	1.0	71.4	13.6
1966 ^{5/}	70.0	65.0	4.0	3.0	1.0	71.0	15.0

^{1/} After December 1965, taxable removals data replaced by domestic sales, and tax-exempt removals data replaced by export sales. See March 1966 Tobacco Situation, pp. 15-16. ^{2/} Prior to July 1962 and after December 1965, data are from Census import classification covering mainly smoking tobacco; from July 1962 through December 1965, data represent taxable removals of imported smoking tobacco reported by Internal Revenue Service. ^{3/} Total removals (or sales) plus imports minus exports in packages. ^{4/} Includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco and shredded tobacco. Virtually all of the smoking tobacco in this export class was not included in Internal Revenue Service output figures for smoking tobacco. ^{5/} Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service, Bureau of the Census, and Consumer and Marketing Service, USDA.

Table 6 .--Chewing tobacco and snuff: Output by category for specified periods

Period	Chewing tobacco					Snuff
	Plug	Twist	Fine-cut	Scrap	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1950-54	38.9	4.9	2.8	38.2	84.8	39.2
1955	36.5	4.5	3.0	36.0	80.0	39.2
1956	33.0	4.3	2.9	35.5	75.7	37.7
1957	31.6	4.0	2.8	34.0	72.4	36.1
1958	29.6	3.8	2.9	33.0	69.3	34.8
1959	28.6	3.6	3.0	33.0	68.2	34.3
1960	26.4	3.4	3.1	32.0	64.9	34.6
1961	26.0	3.3	3.2	32.7	65.2	33.8
1962	26.0	2.9	3.3	32.5	64.7	33.2
1963	24.9	2.9	3.3	34.2	65.3	31.8
1964	25.9	2.8	3.5	34.0	66.2	31.4
1965	24.7	2.8	3.7	33.9	65.1	29.7
1966 ^{1/}	24.2	2.8	3.9	34.3	65.2	29.5

^{1/} Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and Consumer and Marketing Service, USDA.

Snuff

Snuff production in 1966 is estimated at about 29 $\frac{1}{2}$ million pounds, slightly less than in 1965. Snuff production has trended downwards since 1956, in contrast with a relatively stable output in the preceding 10 years. The downward drift is expected to continue.

Practically the entire output of snuff is consumed in this country. In January-September 1966, manufacturers' domestic sales were 2 percent above taxable removals a year earlier, virtually all of the increase occurring in the first quarter.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Exports of unmanufactured tobacco in calendar 1966 are estimated at about 540 million pounds (approximately 615 million farm-sales weight)--about 15 percent above 1965. Most of the gain came from a substantial increase in exports of flue-cured--the principal export class--which in January-October 1966 were about 66 million pounds larger (27 percent greater) than a year earlier. Compared with the first 10 months of 1965, there were big increases in flue-cured takings by the United Kingdom, West Germany, Sweden, Thailand, Ireland, South Vietnam, Japan (to which all 1965 exports occurred in November-December) and Norway; countries taking less than a year earlier included the Netherlands, Belgium, Egypt, Australia, and Denmark.

In the first 10 months of 1966, exports of burley and Maryland were 1 and 4 percent, respectively, less than a year earlier, while those of fire-cured and sun-cured were down substantially. Exports of Green River were about the same as year earlier, One Sucker dropped sharply, and those of Black Fat declined moderately. Cigar wrapper exports rose appreciably due to a jump in shipments of the Georgia-Florida type; exports of Connecticut Valley wrapper were down some. Exports of cigar binder were about a fifth below those a year earlier, with both the Connecticut Valley and Wisconsin types sharing in the decline. Exports of cigar filler more than doubled, and were largest for that period since 1949.

In the year ending June 30, 1967, total exports of unmanufactured tobacco may be about a fifth above the 472 million pounds in 1965-66, which were second lowest in 11 years. Among factors favoring U.S. exports are the improved quality of recent flue-cured crops, the export payment program, and continued growth in overseas cigarette consumption. Another factor strongly influencing U.S. exports are developments related to the Rhodesian impasse. Mandatory sanctions against Rhodesian tobacco voted by the United Nations Security Council on December 16, 1966, supersede voluntary sanctions. The United Nations resolution provides, in part, that all States Members of the United Nations shall prevent: (a) the import into their territories of tobacco (and certain other commodities) originating in Southern Rhodesia, (b) any activities by their nationals or in their territories which promote the export of these commodities from Southern Rhodesia (including in particular transfer of funds to Rhodesia for such activities), and (c) the shipment of such commodities originating in Southern Rhodesia in vessels or aircraft of member country registration.

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

Table 7.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

Country and type	(Declared weight)						1966 as a percentage of 1965
	Average 1958-62	1963	1964	1965 1/	January-October		
					1965 1/	1966 1/	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Flue-cured	391.9	403.4	395.6	350.6	244.8	310.4	127
Burley	34.2	44.5	53.0	45.3	36.7	36.5	99
Maryland	12.0	10.7	12.3	10.1	8.4	8.1	96
Fire and sun-cured	24.5	19.4	25.4	28.1	20.8	18.0	87
Green River	.8	.6	1.2	.6	.5	.5	100
One Sucker	1.0	.5	.6	.9	.6	.1	17
Black Fat, etc.	4.5	4.2	3.7	3.9	3.1	2.9	94
Cigar wrapper	4.2	4.6	5.2	3.9	3.4	4.1	121
Cigar binder	2.2	.8	1.6	2.5	2.3	1.8	78
Cigar filler	.5	.4	.6	.7	.6	1.3	217
Perique	.1	.2	.2	.4	.4	.3	75
Stems, trimmings, and scrap	6.9	16.1	15.1	21.1	12.9	24.7	191
Total	482.8	505.5	514.5	468.1	334.5	408.7	122
Country of destination							
United Kingdom	145.3	139.0	125.2	92.8	60.1	88.6	147
France	6.2	5.6	7.2	5.8	3.8	8.1	213
Belgium	17.5	16.3	17.5	18.8	14.3	12.8	90
Netherlands	29.2	29.7	33.1	37.2	27.8	24.2	87
West Germany	73.8	85.3	85.5	80.9	70.2	89.7	128
Portugal	7.3	6.0	8.0	3.7	3.5	2.9	83
Denmark	13.5	13.8	12.3	15.1	12.2	11.9	98
Ireland	14.4	14.5	11.2	10.6	8.7	11.3	130
Switzerland	12.0	11.5	15.0	12.6	9.6	12.3	128
Finland	6.8	9.1	5.5	6.1	5.2	4.2	81
Norway	7.6	7.3	7.2	6.0	4.5	8.2	182
Sweden	14.6	11.0	20.8	5.9	5.8	19.8	341
Italy	10.6	12.0	9.5	8.4	8.3	2.4	29
Spain	3.3	1.2	3.1	3.7	3.7	3.2	86
Thailand	9.4	9.1	11.1	11.8	9.9	16.0	162
Pakistan	1.3	2.3	.8	1.9	1.2	.3	25
Malaysia 2/	3.5	5.3	5.7	6.6	5.3	6.1	115
Hong Kong	4.7	8.0	8.1	7.5	5.6	4.1	73
Japan	17.9	28.7	34.9	36.6	0	5.6	---
Australia	20.1	18.1	14.2	19.7	13.0	10.5	81
New Zealand	5.8	2.9	3.9	3.0	2.7	4.3	159
Egypt	10.3	15.2	15.2	18.4	18.4	12.0	65
Other countries	47.7	53.6	59.5	55.0	40.7	50.2	123
Total	482.8	505.5	514.5	468.1	334.5	408.7	122

1/ Preliminary.

2/ Malaysia and Singapore

Compiled from publications and records of the Bureau of the Census.

The Agricultural Trade Development and Assistance Act of 1954 (referred to as Public Law 480) has been extended for 2 years--until December 31, 1968. Title I of the amended legislation authorizes sales for foreign currencies and for long-term dollar credits. (Export credit sales were authorized under the former Title IV program of P. L. 480.) Title III of the new legislation authorizes barter of U.S. farm products for materials and services from abroad. The new law eliminates the requirement that a U.S. farm product be in "surplus" before it can be shipped under the program, substituting "availability" instead. It also has as a major objective to speed up the transition from foreign currency sales to dollar sales, the change-over to be aided by availability of long-term credits. The program aims at completing the transition by December 31, 1971.

Major Foreign Producers and Exporters of Tobacco

Little information is available on the disposition of Rhodesia's 1966 crop of flue-cured, estimates of which range from 200 million to as high as 250 million pounds. The crop was sold in complete secrecy. Only a fraction of the crop--perhaps as much as a third--has moved out of the country, and the larger part of the crop is held in storage by the tobacco corporation set up by the Government to handle marketing and by the private trade. Estimates of the total quantity currently on hand vary, ranging from 150 to 180 million pounds. A production goal of 200 million pounds for the 1967 harvest of flue-cured had been announced in mid-July, with growers guaranteed an average return equivalent to about 33 U.S. cents per pound.

The 1966 Canadian flue-cured crop is the largest on record; it is estimated at 215 million pounds, 35 percent above the previous year. Auctions in Ontario, where most of the crop is produced, began November 10. Through December 9, about 51½ million pounds had been sold, at an average price of 71½ Canadian cents per pound, highest on record. A year earlier, 50 million pounds were sold, averaging about 63 cents. United Kingdom buyers have arranged to purchase 55½ million pounds (farm-sales weight) from Canada's 1966 crop, provided quality and prices are satisfactory. United Kingdom purchases in recent years have averaged around 36 million pounds annually.

Canadian exports of flue-cured tobacco in January-June 1966, at about 24½ million pounds (dry weight), were about a sixth less than a year earlier. Over 85 percent of the total was consigned to the United Kingdom; these exports were 17 percent below a year earlier. The bulk of the remainder was consigned to West Germany, Denmark, Malaysia and Singapore, and the Netherlands, all of which took more than a year earlier. Canada's exports in 1967 will likely increase over a year earlier, reflecting the larger 1966 flue-cured crop and increased British takings.

India's 1966 flue-cured crop is currently placed at 210 million pounds, compared with 243 million in 1965.

In Turkey, the 1966 production of oriental tobacco is estimated at 364 million pounds--about a third above 1965, and second only to the record 1964 crop. In the 1965-66 marketing year (September-August), Turkey exported a record 197 million pounds of unmanufactured tobacco, 34 percent above a year earlier. The top 5 outlets and quantities taken (average value per pound, in U.S. cents, in parentheses) were as follows: United States, 114 million pounds (58 cents); West Germany, 24 million (51 cents); Hungary, 5.7 million (46 cents); Japan, 5.5 million (59 cents); and Poland, 4.6 million (77 cents). Markets taking from approximately 2 to 4 million pounds each included Czechoslovakia, East Germany, Belgium, Switzerland, the Netherlands, Italy, Soviet Union, and France.

The 1966 production of oriental tobacco in Greece is the smallest in 4 years; it is about 241 million pounds--about 9 percent below the previous year. Acreage was reduced below 1965, but is expected to increase in 1967. Exports in January-September 1966 (from prior crops) totaled 93 million pounds--5 percent above a year earlier and 46 percent above the relatively low level 2 years earlier. Consignments to the United States rose a tenth, and those to West Germany jumped nearly 50 percent. Exports increased also to the Soviet Union, but declined to Poland, Italy, Egypt, and East Germany.

British Use and Stocks of Tobacco

In the United Kingdom--the leading foreign market for U.S. tobacco--gross clearances from bond are an approximate measure of total tobacco use in manufactured products for home consumption and export. During January-September 1966, gross clearances were nearly 2 percent above a year earlier. Both domestic consumption and exports (chiefly cigarettes) gained. Net clearances for home consumption were about 1 percent larger than a year earlier, although about 4 percent below 2 years earlier and 8 percent below the peak levels in the like period of 1960 and 1961.

Between 1961 and 1965, gross clearances of tobacco in the United Kingdom trended downwards. In addition to the growth in filter-tip cigarettes, which generally use less tobacco per unit than nonfilter tips, a contributory factor was the sharp increase in the proportion of stemmed tobacco, which provides more usable leaf from the same weight of tobacco. (See table 8 for gross clearances broken down by stemmed and unstemmed tobacco.)

Gross clearances of flue-cured, which make up over nine-tenths of total tobacco clearances in the United Kingdom, increased 2 percent in January-September 1966 from a year earlier. Gross clearances of U.S. flue-cured, at 91 million pounds, were virtually unchanged. Clearances of Rhodesian flue-cured, at about 62½ million, were down about 5 million pounds, while those of Indian and Canadian, at 29 million pounds each, increased about 5 and 4 million pounds, respectively. During the first 9 months of 1966, U.S. flue-cured made up 43.1 percent of reported total gross clearances of flue-cured, compared with 43.9 percent a year earlier and 47.6 percent 2 years earlier. This proportion, however, in August and September 1966 was 45 and 46 percent, respectively, compared with 42 to 43 percent in January-July.

At the end of September 1966, United Kingdom stocks of unmanufactured tobacco totaled 446 million pounds--a drop of 11 percent from a year earlier and lowest for that date in many years. British manufacturers' stocks of U.S. flue-cured amounted to 182 million pounds--down 8 percent from a year earlier and down 16 percent from 2 years earlier. In 1959-63, September 30 holdings of U.S. flue-cured averaged 233 million pounds. Stocks of Rhodesian flue-cured on September 30, 1966--at 105 million pounds--dropped 25 percent below the peak for that date a year earlier. (No Rhodesian tobacco was imported into Britain after February 1966; provision had been made for delivery of tobacco purchased prior to Rhodesia's unilateral declaration of independence on November 11, 1965.) Stocks of Indian flue-cured--at about 47 million pounds--fell 22 percent, but those of Canadian--at 57 million pounds--were about the same as a year earlier. Holdings of dark fire-cured from Malawi declined a little, but those of air- and sun-cured from India and Malawi were up moderately.

Table 8 .--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports <u>1/</u>			Stocks Dec. 31 <u>3/</u>	Gross clearances from bond <u>4/</u>				Exports of manu- factured tobacco	Re-exports of unmanu- factured tobacco	
	Total	From U. S. <u>2/</u>	From Common- wealth countries <u>2/</u>		By duty preference		By form				
					Total	Nonprefer- ential <u>2/</u>	Prefer- ential <u>2/</u>	Stemmed			Unstemmed
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1950	306	144	146	445	271	180	91	50	221	43	4
1951	355	212	131	498	287	183	104	50	237	51	7
1952	224	67	143	430	280	172	108	45	235	47	12
1953	316	174	127	452	283	167	116	45	238	45	9
1954	312	160	139	468	290	168	122	45	245	41	4
1955	344	179	149	507	298	173	125	50	248	44	4
1956	318	160	146	523	300	173	127	59	241	45	3
1957	319	168	141	529	304	169	135	69	235	41	3
1958	316	164	145	529	310	172	138	74	236	41	2
1959	300	140	155	509	315	171	144	78	237	34	2
1960	365	178	180	538	319	167	152	88	231	31	5
1961	345	157	182	563	317	161	156	100	217	31	3
1962	280	106	168	540	307	153	154	107	200	28	4
1963	325	145	174	536	313	154	159	125	188	29	3
1964	313	123	181	541	308	146	162	157	151	26	4
1965 <u>5/</u>	286	91	184	520	298	130	168	191	107	32	4
Jan.-Oct.											
1962	232	73	153	#523	*228	*114	*114	* 78	*150	24	3
1963	269	108	156	#501	*233	*115	*118	* 91	*142	24	3
1964	241	87	147	#501	*228	*108	*120	*112	*116	21	3
1965	220	62	150	#499	*222	* 98	*124	*140	* 82	26	4
1966	199	87	96	#446	*226	* 98	*128	*163	* 63	29	4

1/ Unmanufactured tobacco. 2/ The full duty rate on tobacco from the United States and other non-preferential areas is about 2 per cent above the preferential rate on tobacco from Commonwealth areas. 3/ Beginning with 1957, stocks not strictly comparable with prior years. 4/ Largely withdrawals for manufactures for home use and export. 5/ Subject to revision. # Stocks as of September 30.

Compiled from official United Kingdom sources.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN-GROWN TOBACCO 2/

In the first 10 months of 1966, U.S. imports for consumption of foreign-grown tobacco were 3 percent below a year earlier. Imports of the two major categories--cigarette leaf and scrap (small pieces of leaves used chiefly for cigars)--were lower.

Imports of cigarette leaf for consumption (imports for immediate consumption plus withdrawals from bonded warehouses) during January-October 1966 were 1 percent less than a year earlier, when an unusually large January figure swelled the total. Imports from Turkey and Greece were up a little, but those from Yugoslavia declined 15 percent. Total arrivals of cigarette leaf from abroad (general imports, which consist of imports for immediate consumption plus imports placed in bonded warehouses) jumped 41 percent over January-October 1965. Arrivals from Turkey rose substantially, but those from Greece declined moderately. (See table 10.) Stocks of foreign-grown cigarette and smoking tobacco in the United States on October 1, 1966 were the highest on record for that date, totaling 325 million pounds (farm-sales weight equivalent)--15 percent above a year earlier.

The average values per pound of cigarette leaf imports for consumption and of total arrivals (general imports) during January-October 1966, compared with a year earlier, were as follows:

Country of origin	January-October imports for consumption		January-October total arrivals (general imports)	
	1965	1966	1965	1966
	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.
Turkey	66.4	71.6	71.7	60.5
Greece	98.6	93.0	84.0	87.9
Other	74.3	71.9	74.1	69.6
All countries	75.8	77.3	75.6	67.1

The duty on imported cigarette tobacco (unstemmed)--not included in the foregoing figures--is 12-3/4 cents per pound.

In January-October 1966, imports for consumption of scrap were 14 percent less than a year earlier. Imports from the Philippine Republic were up more than a tenth, but this was more than offset by sharp reductions in receipts from the Dominican Republic and Colombia, and a moderate reduction in those from Brazil. Withdrawals of Cuban scrap from stocks in the United States were about the same as the small quantity a year earlier, and were a very small fraction of imports prior to the embargo (imposed February 1962). Less scrap than a year earlier was imported for consumption from Indonesia, Argentina, and Peru, but more was imported from Paraguay. Cigar filler imports for consumption rose appreciably, mainly due to gains in filler from Colombia, Mexico, and Brazil.

2/ Imports of tobacco are on a declared-weight basis and stocks are on a farm-sales weight basis.

Table 9.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)							
Classification and country of origin	Average	1963	1964	1965	January-October		1966 as a percentage of 1965
	1958-62			1/	1965	1966	
					1/	1/	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf							
Unstemmed:							
Turkey	74.0	84.5	72.3	83.6	70.6	71.1	101
Greece	31.8	28.8	30.9	36.0	30.2	30.9	102
Yugoslavia	5.6	9.6	10.2	12.9	11.0	9.4	85
Italy	1.7	1.7	1.6	1.4	1.3	.4	31
Cyprus	1.0	.6	.8	.8	.7	.6	86
Syria	.8	.4	.4	.2	.2	.1	50
Total 2/	117.5	128.4	118.4	137.9	116.6	115.5	99
Flue-cured and burley	3/.2	.6	.4	.3	.3	1.0	333
Cigar leaf (filler)							
Cuba:							
Stemmed	6.6	1.0	.5	.2	.1	.1	100
Unstemmed	3.7	1.4	1.5	.6	.4	.1	25
Philippine Republic:							
Stemmed	.2	.9	.4	4/	4/	4/	---
Unstemmed	.1	4/	4/	4/	0	.1	---
Colombia	.2	.2	.3	.1	4/	.5	---
Brazil	.2	.6	.8	.6	.4	.6	150
Paraguay	.1	.1	.1	.4	.4	.2	50
Dominican Republic	.3	.3	.7	.8	.6	.6	100
Mexico	4/	.6	.8	1.0	.8	1.1	138
Total 2/	11.7	5.3	5.9	4.3	3.3	4.3	130
Scrap:							
Cuba	12.5	3.3	2.3	1.6	1.2	1.2	100
Philippine Republic	8.7	12.9	14.1	14.1	13.2	14.7	111
Peru	.4	.2	4/	.3	.3	.2	67
Colombia	.9	5.3	8.0	5.5	4.8	3.4	71
Dominican Republic	.9	5.2	9.3	7.6	6.7	2.9	43
Netherlands	.1	.1	.1	4/	4/	.2	---
Indonesia	.2	1.0	2.1	1.3	1.2	.7	58
Brazil	.1	1.9	3.8	3.6	3.1	2.7	87
Argentina	.1	.4	.5	.4	.4	.3	75
Paraguay	4/	.4	.6	.9	.8	1.1	138
Total 2/	25.1	33.0	42.9	38.9	34.9	30.1	86
Cigar wrapper (unstemmed):							
Cuba	.6	.2	.1	4/	.1	4/	---
Cameroon Republic	4/	4/	4/	.1	.1	.1	100
Honduras	4/	4/	4/	.1	4/	.1	---
Total 2/	.6	.3	.2	.2	.2	.3	150
Total imports 5/	155.8	167.8	168.7	182.6	156.1	151.4	97

1/ Preliminary.

2/ Includes relatively small quantities from other countries not separately listed.

3/ 1960-62 average.

4/ Less than 50,000 pounds.

5/ Includes stems not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.

Table 10.--United States general imports of tobacco from principal supplying countries, for specified periods

Classification and country of origin	(Declared weight)						
	Average 1958-62	1963	1964	1965	January-October		
					1965	1966	1966 as a percentage of 1965
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf (unstemmed):							
Turkey	88.9	67.4	68.1	79.8	67.9	108.2	159
Greece	31.7	41.7	46.4	35.7	34.6	31.7	92
Other countries	15.3	11.0	18.7	14.0	13.9	23.7	171
Total	135.9	120.1	133.2	129.5	116.3	163.6	141
Scrap:							
Turkey	1.0	.7	.1	7.1	5.2	3.8	73
Flue-cured and burley	1/.2	.7	.5	1.0	1.0	1.8	180
Cigar wrapper (unstemmed):							
Cuba 2/	.5	0	0	0	0	0	---
Cameroon Republic	3/	.1	.1	.1	3/	.1	---
Honduras	0	.1	.1	.1	.1	.1	100
Total 4/	.6	.2	.2	.4	.3	.3	100
Cigar filler (stemmed):							
Cuba 2/	6.8	0	0	0	0	0	---
Philippine Republic	.2	2.3	1.2	2.2	2.1	3/	---
Brazil	3/	1.9	.2	.2	.2	.4	200
Mexico	3/	.2	.5	.5	.4	.7	175
Dominican Republic	0	.2	.5	.9	.9	.1	11
Honduras	3/	.1	.2	.2	.2	.2	100
Total 4/	7.0	5.1	3.1	4.2	3.9	1.6	41
Cigar filler (unstemmed):							
Cuba 2/	16.5	0	0	0	0	0	---
Philippine Republic	1.5	.1	1.2	.8	.7	1.0	143
Dominican Republic	3.0	6.5	22.1	2.5	2.3	.5	22
Colombia	3.0	8.8	17.3	7.0	7.0	4.2	60
Brazil	.7	2.3	10.2	9.3	8.4	1.2	14
Paraguay	.6	.8	1.2	1.8	1.6	.5	31
Indonesia	.7	1.9	6.2	2.5	2.5	.1	4
Netherlands	.3	3/	.2	0	0	3/	---
Peru	1.3	0	0	2.1	2.1	0	---
Argentina	.1	3/	1.6	.2	3/	.1	---
Mexico	.1	.9	2.1	2.3	2.3	2.7	117
Jamaica	.1	3/	0	3/	3/	3/	---
Other countries	3/	.2	.4	1.1	.9	1.0	111
Total	27.9	21.7	62.5	29.6	27.8	11.3	41
Scrap:							
Cuba 2/	6.6	0	0	0	0	0	---
Philippine Republic	8.8	10.2	15.0	23.9	22.9	14.4	63
Dominican Republic	3/	.6	1.1	1.0	.9	.1	11
Colombia	3/	3/	0	0	0	3/	---
Brazil	.1	.1	.8	.1	3/	.3	---
Paraguay	.1	.1	.1	.1	3/	.4	---
Indonesia	3/	3/	.3	3/	3/	3/	---
Netherlands	.1	.2	0	3/	3/	3/	---
Argentina	.1	.4	.3	.1	.1	.1	100
Honduras	3/	3/	.1	.1	.1	.1	100
Other countries	.6	.4	.6	.6	.6	.4	67
Total	16.4	12.0	18.4	25.9	24.6	15.8	64
Total cigar tobacco	51.9	38.9	84.1	60.1	56.6	28.9	51
Grand total	188.9	160.3	218.0	197.7	179.3	198.1	110

1/ 1960-62 average.

2/ For 1958-61 (pre-embargo) years, average exports were wrapper, 0.6 million pounds; stemmed filler, 8.1 million; unstemmed filler, 19.7 million; and scrap, 7.8 million.

3/ Less than 50,000 pounds.

4/ Includes quantities from other countries not separately listed. Details may not add to total, due to rounding.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption".

Total arrivals (general imports) of cigar tobacco during the first 10 months of 1966 amounted to only about half those a year earlier. Arrivals dropped from most source countries, including the Philippine Republic, Brazil, the Dominican Republic, Colombia, Indonesia, Peru, and Paraguay; arrivals from Mexico increased some. (See table 10.)

October 1, 1966, stocks of foreign-grown cigar tobacco, by country of origin, are shown on page 40.

SITUATION AND OUTLOOK FOR TOBACCO LEAF

Flue-cured, Types 11-14

Prices and Price Support

In accordance with the legal formula, the overall price support level for the 1967 crop will advance about 2 percent above the 58.8 cents per pound level in effect for 1966. The 1967 support level will be calculated by raising the 1959 support level to reflect the percentage increase in the parity index from 1959 to 1964-66 (average of the 3 most recent calendar years). (Over a period of time, the parity index measures average change in the prices of commodities and services commonly bought by farm families.)

Marketing of the 1966 flue-cured crop was nearly completed by mid-December, but 3 Old Belt (type 11-a) auction markets will resume January 9-10 to sell that still remaining. The season average price for gross sales (including resales) reached a new high of 66.8 cents per pound--2.4 cents above 1965. Prices averaged above any previous season in Georgia-Florida (type 14), in South Carolina and Border North Carolina (type 13), and in Eastern North Carolina (type 12). In the Middle (type 11-b) and Old (type 11-a) Belts of North Carolina and Virginia, where tobacco was grown under adverse weather conditions, prices averaged third highest and second highest, respectively, for any season. (See tables 11-13 for price, volume, and loan receipts comparisons.)

On the types 11-13 markets in 1966, price support was made available on all grades of untied tobacco during the first 12 days as each successive Belt started its selling season. In the 3 previous seasons, price support was offered only on untied tobacco graded as lugs, primings, and on the nondescript grades thereof, during the first 7 days of each Belt's selling season. In 1966 and 1965, price support for tied tobacco was 3 cents per pound higher for each grade than for untied tobacco. In the 1966 season, for types 11-13 combined, about 95 percent of the first 12 days' sales were in untied form; the average price was 66.4 cents per pound--2.8 cents less than for the tied tobacco marketed during the same period. (See table 14 for data on individual types.)

The quantity of tobacco sold untied in the 1966 season in types 11-13 markets was $2\frac{1}{2}$ times larger than in the 1965 season. Over a third of the tobacco sold in the types 11-13 markets in 1966 was untied in contrast with less than one-tenth in 1965. When the untied tobacco sold in type 14 Georgia-Florida markets--where traditionally all tobacco is sold untied--is added to that in types 11-13 markets, about 44 percent of the entire 1966 gross sales was untied, compared with 24 percent of the 1965 gross sales.

Flue-cured tobacco placed under Government loan through mid-December totaled about $74\frac{1}{2}$ million pounds--nearly 7 percent of market deliveries. The 1966 loan placements in total were not greatly different in volume or proportion than in the 1965 season, but much more went under loan in the latter part of the 1966 season than

Table 11.--Flue-cured tobacco: Average price per pound (gross sales) and percentage comparisons by Belt, 1951-66

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	Border Belt type 13	Ga.-Fla. Belt type 14 1/	All Belts
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1951	50.4	53.8	55.1	51.9	46.3	52.2
1952	48.4	49.4	50.5	51.9	49.2	50.1
1953	42.0	47.0	57.1	56.7	51.1	52.5
1954	52.0	52.3	54.7	51.3	46.5	52.1
1955	53.8	52.4	52.3	53.7	46.5	52.2
1956	49.9	51.9	51.5	53.2	48.0	51.1
1957	52.3	53.1	54.3	59.1	55.9	55.0
1958	57.2	57.1	57.1	59.6	57.1	57.7
1959	53.2	56.4	57.9	62.1	57.8	57.7
1960	58.5	60.9	60.7	61.4	56.4	59.9
1961	62.9	64.5	64.9	65.4	58.9	63.7
1962	60.3	60.4	59.4	61.0	56.5	59.8
1963	55.2	57.0	58.2	59.9	56.9	57.7
1964	59.0	58.7	56.3	59.2	58.6	58.1
1965	64.7	63.0	63.0	65.3	66.0	64.4
1966 2/	62.4	64.1	68.4	69.0	69.9	66.8
	Price for each type as percentage of price for all types combined					
	Percent	Percent	Percent	Percent	Percent	Percent
1951	96.0	103.1	105.6	99.4	88.7	100.0
1952	96.6	98.6	100.8	103.6	98.2	100.0
1953	80.0	89.5	108.8	108.0	97.3	100.0
1954	99.8	100.4	105.0	98.3	89.3	100.0
1955	103.1	100.4	100.2	102.9	89.1	100.0
1956	97.7	101.6	100.8	104.1	93.9	100.0
1957	95.1	96.4	98.7	107.5	101.6	100.0
1958	99.1	99.0	99.0	103.1	99.1	100.0
1959	92.1	97.7	100.3	107.6	100.1	100.0
1960	97.7	101.7	101.3	102.5	94.2	100.0
1961	98.9	101.3	101.9	102.7	92.5	100.0
1962	100.8	101.0	99.3	102.0	94.5	100.0
1963	95.7	98.8	100.9	103.8	98.6	100.0
1964	101.5	101.0	97.1	101.9	100.9	100.0
1965	100.5	97.8	97.8	101.4	102.5	100.0
1966 2/	93.4	96.0	102.4	103.3	104.6	100.0

1/ Type 14 tobacco is marketed untied; through 1961 all other types were marketed tied, but in 1962-65 certain grades, and in 1966 all grades were sold untied during specified periods at the start of auction season. 2/ Preliminary.

Table 12.--Flue-cured tobacco: Volume of gross sales (including resales) and percentage distribution by Belt, 1951-66

Marketing season	: Old Belt : : type : : 11 (a) :	: Middle : : Belt : : type : : 11 (b) :	: Eastern : : N. C. : : Belt : : type 12 :	: Border : : Belt : : type 13 :	: Ga.-Fla. : : Belt : : type : : 14 :	: All : : Belts :
	: Million : : pounds :	: Million : : pounds :	: Million : : pounds :	: Million : : pounds :	: Million : : pounds :	: Million : : pounds :
1951	: 312	: 186	: 527	: 357	: 192	: 1,575
1952	: 328	: 177	: 488	: 333	: 180	: 1,506
1953	: 254	: 138	: 480	: 348	: 192	: 1,412
1954	: 288	: 161	: 522	: 309	: 188	: 1,468
1955	: 311	: 170	: 528	: 371	: 213	: 1,593
1956	: 333	: 179	: 508	: 333	: 183	: 1,536
1957	: 235	: 124	: 353	: 254	: 120	: 1,087
1958	: 250	: 137	: 402	: 263	: 134	: 1,186
1959	: 250	: 136	: 359	: 279	: 161	: 1,185
1960	: 262	: 170	: 444	: 311	: 183	: 1,370
1961	: 272	: 162	: 414	: 324	: 191	: 1,363
1962	: 311	: 185	: 426	: 381	: 205	: 1,508
1963	: 296	: 178	: 448	: 344	: 198	: 1,463
1964	: 334	: 189	: 439	: 338	: 175	: 1,475
1965	: 242	: 117	: 314	: 307	: 172	: 1,152
1966 <u>1/</u>	: <u>2/272</u>	: 155	: 349	: 244	: 173	: <u>2/1,192</u>
	Percentage of total					
	: Percent	: Percent	: Percent	: Percent	: Percent	: Percent
1951	: 19.8	: 11.8	: 33.5	: 22.7	: 12.2	: 100.0
1952	: 21.8	: 11.8	: 32.4	: 22.1	: 11.9	: 100.0
1953	: 18.0	: 9.8	: 34.0	: 24.6	: 13.6	: 100.0
1954	: 19.6	: 11.0	: 35.6	: 21.0	: 12.8	: 100.0
1955	: 19.5	: 10.7	: 33.1	: 23.3	: 13.4	: 100.0
1956	: 21.7	: 11.6	: 33.1	: 21.7	: 11.9	: 100.0
1957	: 21.6	: 11.4	: 32.5	: 23.4	: 11.1	: 100.0
1958	: 21.1	: 11.5	: 33.9	: 22.2	: 11.3	: 100.0
1959	: 21.1	: 11.5	: 30.3	: 23.5	: 13.6	: 100.0
1960	: 19.1	: 12.4	: 32.4	: 22.7	: 13.4	: 100.0
1961	: 19.9	: 11.9	: 30.4	: 23.8	: 14.0	: 100.0
1962	: 20.6	: 12.3	: 28.2	: 25.3	: 13.6	: 100.0
1963	: 20.2	: 12.2	: 30.7	: 23.4	: 13.5	: 100.0
1964	: 22.6	: 12.8	: 29.8	: 22.9	: 11.9	: 100.0
1965	: 21.0	: 10.2	: 27.3	: 26.6	: 14.9	: 100.0
1966 <u>1/</u>	: 22.8	: 13.0	: 29.2	: 20.5	: 14.5	: 100.0

1/ Preliminary. 2/ Not final; small additional marketing anticipated in January.

Table 13.--Flue-cured tobacco: Receipts under government loan and percentage distribution by Belt, 1951-66

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	Border Belt type 13	Ga.-Fla. Belt type 14	All Belts
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1951	44.9	16.0	28.5	35.8	17.1	142.2
1952	61.1	19.0	55.4	23.0	6.5	165.0
1953	96.8	22.6	15.6	10.8	5.6	151.4
1954	40.7	15.8	38.8	26.6	8.3	130.2
1955	30.7	23.0	124.9	89.1	31.2	298.9
1956	64.8	50.6	128.1	62.8	13.6	319.9
1957	58.2	18.2	21.4	8.9	1.1	107.8
1958	41.2	15.7	50.0	35.5	2.4	144.8
1959	27.5	7.2	7.5	11.3	1.8	55.3
1960	16.2	5.3	19.1	8.9	2.3	51.8
1961	17.4	6.2	31.3	8.2	7.2	70.3
1962	93.8	35.1	65.9	37.5	4.9	237.2
1963	128.8	38.5	63.0	41.4	5.5	277.2
1964	71.3	39.0	125.6	46.7	3.0	285.6
1965	21.2	9.6	19.4	18.9	2.4	71.5
1966 <u>1/</u>	<u>2/</u> 49.0	15.2	7.4	2.5	.4	<u>2/</u> 74.5
Percentage distribution						
	Percent	Percent	Percent	Percent	Percent	Percent
1951	31.5	11.3	20.0	25.2	12.0	100.0
1952	37.0	11.5	33.6	14.0	3.9	100.0
1953	64.0	14.9	10.3	7.1	3.7	100.0
1954	31.3	12.1	29.8	20.4	6.4	100.0
1955	10.3	7.7	41.8	29.8	10.4	100.0
1956	20.3	15.8	40.0	19.6	4.3	100.0
1957	54.0	16.9	19.9	8.2	1.0	100.0
1958	28.5	10.8	34.5	24.5	1.7	100.0
1959	49.7	13.0	13.6	20.4	3.3	100.0
1960	31.3	10.2	36.9	17.2	4.4	100.0
1961	24.8	8.8	44.5	11.7	10.2	100.0
1962	39.5	14.8	27.8	15.8	2.1	100.0
1963	46.5	13.9	22.7	14.9	2.0	100.0
1964	24.9	13.7	43.9	16.4	1.1	100.0
1965	29.7	13.4	27.1	26.4	3.4	100.0
1966 <u>1/</u>	<u>2/</u> 65.8	20.4	9.9	3.4	.5	100.0

1/ Preliminary. 2/ Includes receipts through December 15, 1966.

Table 14.--Quantities and prices of untied and tied flue-cured tobacco, types 11-13 in specified periods of 1966, 1965 and 1964 marketing seasons

Type	1966 season--12-day period of price support for untied tobacco, all grades						
	Quantity (gross sales)			Percent marketed untied in period of untied sales	Average price per lb.		Untied as percent of total season's marketings
	Untied plus tied	Tied	Untied		Tied	Untied	
	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	Ct.	Ct.	Pct.
13 <u>1/</u>	116.8	2.9	113.9	97.5	69.3	68.0	46.7
12	113.9	6.9	107.0	93.9	70.7	67.0	30.7
11-b	53.6	.6	53.0	98.9	67.5	64.4	34.3
11-a	80.0	6.2	73.8	92.9	67.6	64.6	<u>2/</u> 27.1
Total 11-13	364.3	16.6	347.7	95.4	69.2	66.4	<u>2/</u> 34.2
1965 season--7-day period of price support for untied tobacco, lugs, primings, and nondescript grades thereof							
13	54.3	13.8	40.5	74.6	63.7	61.1	13.3
12	77.0	44.2	32.8	42.6	63.7	58.5	10.5
11-b	35.2	22.5	12.7	36.1	64.6	60.2	10.8
11-a	69.2	55.6	13.6	19.7	65.5	59.3	5.6
Total 11-13	235.7	136.1	99.6	42.3	64.6	59.9	8.6
1964 season--7-day period of price support for untied tobacco, lugs, primings, and nondescript grades thereof							
13	46.8	11.8	35.0	74.8	n.a.	n.a.	10.3
12	59.8	33.8	26.0	43.5	n.a.	n.a.	5.9
11-b	32.0	24.0	8.0	25.0	n.a.	n.a.	13.2
11-a	54.2	48.8	5.4	10.0	n.a.	n.a.	1.6
Total 11-13	192.8	118.4	74.4	38.6	n.a.	n.a.	5.0

1/ About 370,000 pounds additional untied type 13 tobacco was sold after the end of the 12-day period of price support for untied type 13 tobacco.

2/ Not final; small additional marketing anticipated in January.

a year earlier. (The particularly unfavorable weather during the growing season in the later-marketing Belts was a contributory factor.) Substantial sales were made from older crop loan stocks in the 12 months ending November 30, 1966--about 270 million pounds, compared with 138 million in the preceding 12 months. As of November 30, 1966, Government loan stocks of flue-cured tobacco (including receipts from the 1966 crop) totaled about 690 million pounds--down 23 percent from a year earlier.

1967 Flue-cured Acreage-Poundage Quota

On November 23, 1966, the Secretary of Agriculture announced a 1967 flue-cured tobacco quota of 1,126 million pounds, a national average yield goal of 1,854 pounds per acre, and a national acreage allotment of 607,335 acres. The national quota is the same as announced for the 1966 and 1965 crops. For individual farms, however, 1967 poundage quotas and matching acreage allotments will be increased or decreased to take into account undermarketings or overmarketings in the 1966 season. Available data indicate that the volume of undermarketings in 1966 exceeded overmarketings by over 90 million pounds. In 1965, many growers were short of their individual quotas--thus had undermarketings; these growers were allocated 1966 quotas and allotments adjusted upward to reflect such undermarketings. In 1966, growers having actual marketings below such upward-adjusted 1966 quotas will have their quotas for 1967 increased above 1965 by the amount they undermarketed their 1966 quotas. Each year's allocation under the acreage-poundage program takes into account the cumulative shortfall (undermarketings) and the cumulative overage (overmarketings). Appropriate adjustments--upward or downward--are made in the individual farm quotas established in 1965--the start of the acreage-poundage program. However, this does not mean that farm quotas established in 1965 are permanent. When excess supplies have been worked off, the national marketing quotas can be increased to meet the prospective requirements, and all individual farm quotas would then be increased proportionately.

The acreage-poundage program in its first 2 years of operation contributed to a substantial improvement in the quality of flue-cured tobacco. In some areas, adverse weather conditions prevented as much improvement in quality as would have otherwise occurred. Under the acreage-poundage program, growers tend to place more stress on producing high quality tobacco; whereas, under the acreage program previously in effect, the overriding incentive was to produce the largest possible number of pounds on the acreage allotted for any given year.

Supplies

The 1966/67 total supply of flue-cured is about 3,541 million pounds--73 million pounds or 2 percent below 1965/66, and over 6 percent below the 1964/65 peak. The 1966 crop (production of value) was 4 percent above 1965, but carryover was down $4\frac{1}{2}$ percent from the record level of mid-1965. Harvested acreage in 1966 was 8 percent above the record low of 1965, but the average yield per acre for all areas combined averaged 3 percent less than in 1965.

In the 1965 and 1966 seasons, undermarketings exceeded overmarketings by a sizable margin. The cumulative net undermarketings (that is, the amount by which undermarketings exceeded overmarketings) will be reflected in the total poundage allocated to farms in 1967, and within-quota marketings in 1967 can be well above those in each of the past 2 seasons. Within-quota marketings could approximate 1,215 million pounds in 1967. Further, if growing conditions should be generally favorable and resulted in some degree of overmarketings, then the total marketings in 1967 could range above 1,215 million pounds. (A grower can market and receive price support on any overmarketings up to 10 percent of his quota, but this would reduce his 1968 quota by an equivalent amount.)

Table 15.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, July 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	1,483	2,056	3,539	1,281	728	553
1956	1,423	2,258	3,681	1,170	705	465
1957	975	2,511	3,486	1,178	737	441
1958	1,081	2,308	3,389	1,179	736	443
1959	1,081	2,210	3,291	1,185	766	419
1960	1,251	2,106	3,357	1,267	792	475
1961	1,258	2,090	3,348	1,267	782	485
1962	1,408	2,081	3,489	1,208	777	431
1963	1,371	2,282	3,653	1,267	769	498
1964	1,388	2,386	3,774	1,219	775	444
1965	1,059	2,555	3,614	1,175	752	423
1966 2/	1,102	2,439	3,541			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966*	
			Quantity	Percentage of crop	4/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	52.7	48.3	298.9	20.2	0	
1956	51.5	48.9	319.9	22.5	0	
1957	55.4	50.8	107.8	11.1	0	
1958	58.2	54.6	144.8	13.4	0	
1959	58.3	55.5	55.3	5.1	0	
1960	60.4	55.5	51.8	4.1	25.2	
1961	64.3	55.5	70.3	5.6	40.7	
1962	60.1	56.1	237.2	16.8	96.6	
1963	58.0	56.6	277.2	20.2	177.3	
1964	58.5	57.2	285.6	20.7	217.4	
1965	64.6	57.7	71.5	6.8	65.9	
1966	5/66.8	58.8	* 74.5	*6.8	*74.5	
Total			*1,994.8		*697.6	

1/ Year beginning July 1. 2/ Subject to revision. 3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 4/ As reported by Flue-cured Tobacco Cooperative Stabilization Corp.; the unstemmed loan stocks on the packed-weight basis average about 11 percent less than their farm-sales weight figures. 5/ Gross sales auction average through December 15, 1966.

*For the 1966 crop, includes receipts through December 15, 1966; small additional marketings expected in January.

Carryover of flue-cured in mid-1967 seems likely to be 2,240 million pounds--roughly 200 million pounds less than in mid-1966. If 1967 marketings should approximate 1,215 million pounds --this added to carryover would provide a total supply of around 3,455 million pounds for 1967/68--2 or 3 percent less than for 1966/67.

Domestic Use and Exports

Domestic use of flue-cured tobacco in July 1965/June 1966 apparently approximated 752 million pounds--3 percent less than in 1964/65. This figure is lower than might have been expected, since cigarette output--the major domestic outlet--did not decline during the period. Domestic use of flue-cured in 1966/67 might gain a bit, since some increase in cigarette output appears likely. During the past decade, the rising proportion of cigarettes made with filter tips, and the increased use of reconstituted sheet tobacco in cigarettes have resulted in a steady reduction in the quantity of tobacco leaf required per 1,000 cigarettes.

Exports of flue-cured in the 1966/67 marketing year are likely to be the largest since 1955--around 525 million pounds--up about 100 million over the comparatively low 1965/66 level. Major factors causing this rise in U.S. tobacco exports are: (1) voluntary sanctions and now the mandatory sanctions voted by the United Nations against tobacco imports from Rhodesia; (2) the assistance afforded by the broadened export payment program placed in effect in early July 1966; (3) the improved quality of U.S. flue-cured; and (4) the upward trend in cigarette consumption abroad.

During the first third of the current marketing year (July-October), flue-cured exports (farm-sales weight) jumped 59 percent ahead of those in the corresponding period a year earlier. Exports to Britain--the leading destination--were up 67 percent. Those to West Germany--the second ranking destination--were up 61 percent compared with a year earlier. Other countries sharply increasing their takings in July-October 1966, compared with a year earlier, included Ireland, Sweden, Belgium, Denmark, Norway, Finland, Switzerland, France, Austria, Thailand, South Vietnam, New Zealand, and Hong Kong. Australia took moderately more than a year earlier. The Netherlands was a major exception--July-October 1966 flue-cured exports to that country were about 15 percent below a year earlier. Also, shipments to Egypt, Taiwan, Malaysia, and Republic of the Congo dropped well below those of July-October 1965.

Burley, Type 31

Prices and Price Support

Auction sales of 1966-crop burley began November 28. By December 20, when markets closed for the holidays, gross sales totaled 388 million pounds and averaged 68.3 cents a pound--the highest on record. In 1965, pre-Christmas sales ended December 17, and averaged 67.8 cents a pound. Approximately 67 percent of the 1966 crop had been sold by December 20. In 1965, 75 percent of the crop had been sold by the holiday shutdown. Prices for many grades were higher than in the corresponding period of 1965, generally by 1 to 3 cents a pound.

The overall Government price support level for 1966 burley is 60.6 cents a pound. Through December 20, about 19 million pounds or 5 percent of market deliveries had been placed under Government loan. In the full 1965 season, about 42 million pounds--7 percent of the crop--went under loan, down sharply from 1 and 2 years earlier, when 18 percent and 27 percent of the respective crops went under loan.

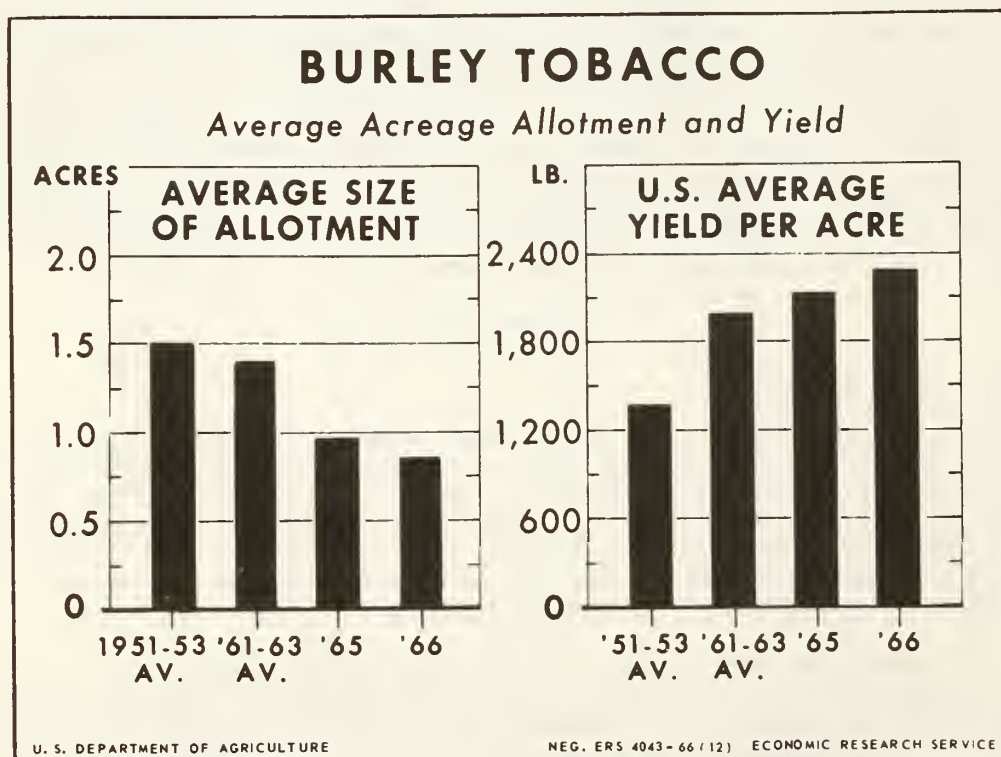
For the 1967 burley crop, the overall price support level is likely to be about 2 percent higher than the 60.6 cents a pound in effect for the current crop.

Supplies

The 1966/67 burley supply is 1,945 million pounds--3 percent below the previous year. The 1966 crop, estimated at 550 million pounds, was 6 percent smaller than 1965. Harvested acreage in 1966 was about 13 percent less than a year before. Acreage allotments for farms not covered by special provisions were reduced 15 percent. The indicated average yield per acre, however, rose to a new high--2,284 pounds. This was 8 percent above 1965 and 13 percent above the 1961-63 average.

October 1, 1966, carryover was 1,395 million pounds--down $1\frac{1}{2}$ percent from the record high a year earlier. Included in the recent carryover were 262 million pounds (farm-sales weight) held under Government loan. A year earlier, such holdings amounted to 316 million pounds, and were 265 million 2 years earlier. As of November 30, 1966, the quantity of burley under Government loan remaining unsold totaled about 225 million pounds.

The 1966/67 total supply is equal to 3.1 times probable disappearance, compared with a ratio of 3.3 in 1965/66 and the peak of 3.5 in 1963/64. The desirable ratio based on the legislative formula is 2.8. Carryover stocks on October 1, 1967, will likely show a sizable reduction from the year-earlier level.



The average size of acreage allotments for burley tobacco has dropped from 1.50 acres in 1951-53 to .85 acre in 1966. Acreage allotments were reduced to bring supplies into line with requirements, but the upward trend in average yields per acre has limited the effectiveness of acreage cuts. In 1966, estimated yields averaged 8 percent above 1965, and 67 percent above 1951-53.

Table 16--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	470	1,347	1,817	518	484	34
1956	506	1,299	1,805	510	482	28
1957	488	1,295	1,783	506	478	28
1958	465	1,277	1,742	518	483	35
1959	502	1,224	1,726	535	499	36
1960	485	1,191	1,676	549	508	41
1961	580	1,127	1,707	570	525	45
1962	675	1,137	1,812	584	531	53
1963	755	1,228	1,983	571	514	57
1964	620	1,412	2,032	616	560	56
1965	586	1,416	2,002	607	550	57
1966 2/	550	1,395	1,945			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966 4/	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	58.6	46.2	73.1	15.6	0	
1956	63.6	48.1	6.0	1.2	0	
1957	60.3	51.7	16.6	3.4	0	
1958	66.1	55.4	11.2	2.4	0	
1959	60.6	57.2	13.2	2.6	0	
1960	64.3	57.2	8.4	1.7	0	
1961	66.5	57.2	10.3	1.8	0	
1962	58.6	57.8	63.5	9.4	33.0	
1963	59.2	58.3	202.3	26.8	100.9	
1964	60.3	58.9	110.4	17.8	84.5	
1965	67.0	59.5	42.4	7.2	42.0	
1966	*68.3	60.6	5/	5/	5/	
Total	---	---	557.4	---	6/260.4	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.

4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

5/ Through December 20 about 19 million pounds, 5 percent of deliveries, went under loan.

6/ Approximately 35 million pounds of these holdings have been sold.

* Auction average through December 20.

The 1967 burley marketing quota and acreage allotment (under the acreage allotment program in effect) will be announced by the Secretary of Agriculture by February 1, 1967. Marketing quotas (on an acreage basis) for the 1965-67 crops were approved by growers in a February 1965 referendum. At the time of the announcement of the 1967 acreage allotment (under the program now in effect), the Secretary can--if he determines that acreage-poundage quotas would result in a more effective program--announce the national quota, the national acreage allotment, and the national yield goal applicable under an acreage-poundage program. (The law requires that, prior to such determination, public hearings must have been held in the producing areas to ascertain and consider attitudes of producers and other interested persons on acreage-poundage quotas.) A special referendum would then be held within 45 days of the announcement to determine whether or not burley growers favor marketing quotas on an acreage-poundage basis for the next 3 marketing years (1967-69). If such a referendum is held, and growers voting fail to approve by more than a two-thirds majority, the acreage allotment program would continue in effect. Under the law, the acreage-poundage program cannot be offered for the first year of a 3-year period of marketing quotas on an acreage allotment basis. The next 3-year period for burley starts with the 1968 crop. Therefore, if an acreage-poundage determination is not made for the 1967 crop, the earliest crop for which it could be made is the 1969 crop.

An acreage-poundage program for the 1966, 1967, and 1968 burley crops was offered to growers, but was disapproved in a referendum held in March 1966. Fifty-seven percent of those voting favored quotas on an acreage-poundage basis, but this fell short of the more than two-thirds favorable vote necessary to place an acreage-poundage program into effect. The favorable vote in a number of states was larger than the two-thirds required for approval of acreage-poundage.

Domestic Use and Exports

During the year ended September 30, 1966, domestic use of burley--calculated from stocks, production, and export data--was 550 million pounds, 10 million below the previous year. The calculated domestic use in 1964/65 was unusually large--higher than could have been expected on the basis of the changes that occurred in the manufacture of cigarettes and other products using burley. Domestic use of burley in 1966/67 is expected to show some increase over 1965/66.

Burley exports in October 1965-September 1966, at 57 million pounds (farm-sales weight), were about 1 million above a year earlier and about equal to those 2 years earlier. About 20 percent was shipped in stemmed form, compared with 16 percent in 1964/65 and only 8 percent in 1962/63. West Germany, our leading outlet, increased takings 10 percent to the third highest on record. Exports to Sweden and Egypt jumped 36 and 57 percent, respectively, and there were also substantial percentage increases to Denmark, Belgium, Thailand, Switzerland, and Chile. Shipments to Republic of the Congo were about $3\frac{1}{2}$ times and to the Philippine Republic were about 7 times their relatively small year-earlier figures, while those to Australia about doubled. On the other hand, substantially smaller exports than in 1964/65 went to Mexico, the Netherlands, Finland, and Hong Kong; moderately less went to Portugal. Exports to Italy were the lowest in 14 years, dropping to only a small fraction of the large quantity exported there in 1964/65. Among the other destinations, more U.S. burley than a year earlier went to France and a significant quantity, to Tunisia, but less than the year before went to Austria.

Maryland, Type 32 3/

Prices and Price Support

Auction markets for 1966-crop Maryland tobacco are scheduled to open April 11, 1967, and close June 30. The Baltimore hogshead market, where approximately an eighth of the crop has been sold in the past few years, also will be operating. This market operates on a year-round basis. Sales during the period coinciding with the auctions are a competitive bid basis; sales outside this period are on a negotiated basis.

Since growers disapproved marketing quotas for the 1966 crop, it is not eligible for Government price support. If growers approve a marketing quota for the 1967 crop in a forthcoming referendum (see next section), price support will be in effect for that crop, with the overall price support level likely to be about 4 percent above the 52.8 cents a pound that applied to the 1965 Maryland crop.

Prices for the 1965 crop were the highest on record, averaging 65.3 cents a pound--about $2\frac{3}{4}$ cents above the preceding season's average. Auction sales volume dropped a tenth. General quality of offerings improved considerably over the 1964 crop, which also had been of better-than-average quality. About 7 percent of the crop went under Government loan, compared with 10 percent a year earlier, and 30 percent 2 years earlier, when drought adversely affected the crop.

Supplies

The 1966 crop is estimated at 37.8 million pounds--about $\frac{3}{4}$ million below the previous year. Acreage allotments were not in effect for the 1966 crop, since growers disapproved marketing quotas in last February's referendum. Acreage rose $7\frac{1}{2}$ percent over 1965, but the average yield was lower due to dry weather during much of the growing season.

Estimated carryover on January 1, 1967, is probably the highest for that date on record--about 91 million pounds, up 1 million from a year earlier. The 1966 crop added to estimated carryover will provide a total supply of nearly 129 million pounds--slightly topping the previous year's peak.

The 1967 marketing quota and acreage allotment for Maryland tobacco will be announced by the Secretary of Agriculture by February 1, 1967. Shortly thereafter, a referendum will be held for growers of Maryland to vote on whether or not they approve marketing quotas (on an acreage basis) for the 1967, 1968 and 1969 crops. Approval by at least two-thirds of the farmers voting is necessary for marketing quotas to be placed into effect. In the last referendum, held February 1966, about 42 percent of the growers voting favored marketing quotas, considerably short of the required two-thirds majority. But in the referendum before that, held in February 1963, about 84 percent of those voting approved marketing quotas for their next 3 crops.

3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of the January 1 falling within the marketing year, October 1 through September 30. Disappearance is calculated on the October-September basis.

Table 17.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks following Jan. 1 <u>1/</u>	Supply	Disappearance <u>2/</u>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	31.5	77.5	109.0	38.6	25.7	12.9
1956	36.5	69.7	106.2	34.9	21.4	13.5
1957	38.5	69.4	107.9	37.0	25.0	12.0
1958	31.1	70.9	102.0	39.4	24.1	15.3
1959	31.2	64.2	95.4	32.3	20.4	11.9
1960	34.7	61.7	96.4	35.6	23.6	12.0
1961	38.8	60.6	99.4	32.6	20.7	11.9
1962	40.6	67.3	107.9	30.7	19.5	11.2
1963	34.5	76.6	111.1	31.0	18.5	12.5
1964	41.7	82.0	123.7	32.4	22.8	9.6
1965	38.5	90.1	128.6	*35.7	*24.7	11.0
1966 <u>3/</u>	37.8	#91.0	128.8			
	Average price per pound	Price support level <u>4/</u>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966 <u>5/</u>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	50.8	No price support <u>6/</u>				
1956	51.7	47.0	3.3	9.0	0	
1957	44.9	48.0	5.9	15.3	1.6	
1958	62.5	50.8	1.1	3.6	.2	
1959	61.6	No price support <u>6/</u>				
1960	63.8	50.8	1.6	4.6	.4	
1961	62.0	50.8	3.7	9.5	1.2	
1962	55.8	51.3	6.0	14.8	2.5	
1963	43.2	51.8	10.4	30.1	9.9	
1964	62.5	52.3	4.2	10.1	4.0	
1965	65.3	52.8	2.7	7.0	2.7	
1966		No price support <u>6/</u>				
Total	---	---	38.9	---	22.5	

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30.

2/ Year beginning October 1. 3/ Subject to revision. 4/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since over one-third of growers voting disapproved. *Excludes fire loss of an estimated 2 million pounds. #Estimated.

Domestic Use and Exports

During the year ended September 30, 1966, domestic use of Maryland tobacco rose for the second year in a row to about $24\frac{3}{4}$ million pounds--8 percent above 1964/65. In the 1961-63 marketing years, domestic use had declined steadily, falling to a long-time low of $18\frac{1}{2}$ million pounds in 1963/64. The decline had occurred despite substantial increases during most of this period in cigarette manufacture, the main outlet for Maryland tobacco. Although the 1964/65 and 1965/66 domestic disappearance of Maryland tobacco rose along with cigarette production, the increases were proportionately far greater than gains in cigarette manufacture during the corresponding periods. Domestic use is a derived figure--calculated from production, stocks, and export data. This method of deriving domestic use figures usually provides a satisfactory approximation, but it does not provide a precise measurement of manufacturers' usings in a given 12-month period. Certain grades of Maryland tobacco are also used as filler in some cigars. The quantity used depends upon the availability and prices of these grades.

Exports of Maryland tobacco in 1965/66--at 11 million pounds (farm-sales weight)--were 15 percent above the 10-year low of 1964/65, but were still 8 percent below the 1959-63 average. Shipments in October 1965-August 1966 were 30 percent above a year earlier, but an unusually low export in September 1966 halved this gain for the marketing year as a whole. Exports to Switzerland, accounting for 55 percent of the 1965/66 total, slipped 1 percent below the previous year. But West Germany, second ranking outlet, increased takings 3 percent to the largest in 7 years, while those by Belgium rose about a sixth. There were also substantial increases to Spain and Portugal, and significant quantities went to South Vietnam and Denmark. The Netherlands and France took less Maryland tobacco than the year before.

Fire-Cured, Types 21-23Prices and Price Support

Auction markets for Virginia fire-cured (type 21) opened December 5. For sales through December 21 (when markets closed for the holidays until January 9), prices averaged 41.7 cents a pound, compared with 41.6 cents a year earlier. Auctions for Kentucky-Tennessee fire-cured type 22 and type 23 usually open around the middle of January.

The overall support level for the 1966 fire-cured crop is 41.1 cents a pound. In the Virginia fire-cured markets through December 21, about 4 percent of market deliveries had been placed under Government loan, compared with 6 percent in the comparable period of last season.

For the 1967 crop, the overall support level is likely to be about 2 percent higher than the 41.1 cents in effect for the current crop.

Supplies

The 1966/67 supply of fire-cured tobacco totals about 159 million pounds--down about 4 percent from the previous year. The supply of Virginia fire-cured--at about $24\frac{1}{2}$ million pounds--declined 3 percent. The 1966 crop was smaller than the preceding year, the decrease more than offsetting a moderate gain in carryover stocks. Both 1966 harvested acreage and average yield per acre of type 21 were down from 1965.

The total 1966/67 supply of Kentucky-Tennessee fire-cured, at about 135 million pounds, is about $6\frac{1}{2}$ million or 5 percent below a year earlier. Although the 1966 crop was nearly 7 percent larger than the 5-year low of 1965, carryover stocks fell 9 percent from the relatively high level of a year earlier. Harvested acreage of each of the Kentucky-Tennessee types was moderately smaller than 1965. But the estimated average yield of type 22 jumped to a near-record, and that of type 23 spurted to the highest on record.

Table 18.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance ^{1/}		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	10.5	26.6	37.1	12.7	6.7	6.0
1956	10.7	24.4	35.1	10.3	4.8	5.5
1957	8.6	24.8	33.4	9.6	4.2	5.4
1958	9.4	23.8	33.2	10.7	5.3	5.4
1959	10.0	22.5	32.5	10.3	4.9	5.4
1960	8.9	22.2	31.1	10.2	4.0	6.2
1961	9.8	20.9	30.7	10.8	5.5	5.3
1962	9.5	19.9	29.4	9.2	4.1	5.1
1963	6.2	20.2	26.4	9.6	3.0	6.6
1964	9.1	16.8	25.9	10.3	3.9	6.4
1965	9.6	15.6	25.2	8.3	3.0	5.3
1966 ^{2/}	7.5	16.9	24.4			
	Average price per pound	Price support level ^{3/}	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966 ^{4/}	
			Quantity	Percentage of crop	Mil. lb.	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	31.3	34.6	1.8	17.1	0	
1956	39.5	36.1	1.7	15.9	0	
1957	38.7	38.8	1.0	11.6	.2	
1958	36.9	38.8	.8	23.4	.1	
1959	37.6	38.8	.8	8.1	.1	
1960	39.4	38.8	.3	3.3	.1	
1961	38.8	38.8	.9	9.8	.3	
1962	38.8	39.2	1.2	12.6	.4	
1963	35.5	39.6	.4	6.5	.4	
1964	43.1	40.0	.3	3.3	.2	
1965	39.9	40.4	1.0	10.4	1.0	
1966		41.1	^{5/}	^{5/}	^{5/}	
Total	---	---	10.2	---	2.8	

^{1/} Year beginning October 1.^{2/} Subject to revision.^{3/} Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.^{4/} Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.^{5/} Through December 21, about 4 percent of marketings were placed under loan.

Table 19.--Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance ^{1/}		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	54.7	110.5	165.2	52.0	24.6	27.4
1956	59.9	113.2	173.1	52.3	27.5	24.8
1957	41.9	120.8	162.7	53.3	29.5	23.8
1958	33.9	109.4	143.3	44.1	24.6	19.5
1959	43.1	99.2	142.3	41.1	22.5	18.6
1960	36.5	101.2	137.7	44.9	23.9	21.0
1961	43.3	92.8	136.1	46.7	17.2	29.5
1962	44.6	89.4	134.0	40.8	21.1	19.7
1963	49.7	93.2	142.9	41.4	19.6	21.8
1964	46.0	101.5	147.5	42.7	21.7	21.0
1965	36.6	104.8	141.4	45.6	18.0	27.6
1966 ^{2/}	39.0	95.8	134.8			
	Average price per pound	Price support level ^{3/}	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966 ^{4/}	
			Quantity	Percentage of crop	Mil. lb.	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	38.4	34.6	7.9	14.4	0	
1956	36.1	36.1	18.6	31.1	0	
1957	36.4	38.8	13.9	33.1	0	
1958	38.1	38.8	4.4	12.0	.5	
1959	38.3	38.8	5.3	12.3	1.3	
1960	43.3	38.8	3.2	8.7	2.6	
1961	40.2	38.8	5.1	11.8	3.3	
1962	38.7	39.2	8.6	19.3	5.4	
1963	36.9	39.6	13.0	26.2	6.1	
1964	41.0	40.0	7.2	15.7	5.8	
1965	43.6	40.4	2.3	6.3	2.2	
1966		41.1				
Total	---	---	89.5	---	27.2	

^{1/} Year beginning October 1.^{2/} Subject to revision.^{3/} Through 1957—75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.^{4/} Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

In the 1965/66 marketing year, Government loan stocks of Kentucky-Tennessee fire-cured, types 22-23, declined 20 percent, the second successive year of appreciable decline. Current loan holdings, however, are still substantial in relation to annual disappearance. (See table 19.) Government loan holdings of Virginia fire-cured, type 21, increased some but on October 1, 1966, were still the second lowest for that date in many years.

The 1967 marketing quotas for Virginia fire-cured (type 21) and for Kentucky-Tennessee fire-cured (types 22-23) will be announced by the Secretary of Agriculture by February 1, 1967. Shortly thereafter, a referendum will be held in which growers of the 3 fire-cured types will vote on whether or not they approve marketing quotas on the 1967, 1968, and 1969 crops. Approval by at least two-thirds of the growers voting is necessary for marketing quotas to continue in effect. In the last referendum (February 1964), about 95 percent of the farmers voting favored marketing quotas on their next 3 crops.

Domestic Use and Exports

In the marketing year ended September 30, 1966, total disappearance of the fire-cured types was close to 54 million pounds--approximately 1 million more than in 1964/65. The gain was due to increased exports of the Kentucky-Tennessee types. Domestic use of Virginia type 21 dropped nearly a fourth below a year earlier and was about equal to 2 years earlier. Domestic use calculated for Kentucky-Tennessee types 22-23 fell about a sixth to the second lowest in many years. The principal domestic outlet for the fire-cured types is in the manufacture of snuff, which in the 1965/66 marketing year declined about 1 percent. Among other domestic outlets for fire-cured, use in Italian-type cigars has gained in recent years.

Exports of Kentucky-Tennessee fire-cured in 1965/66 totaled about 27½ million pounds (farm-sales weight)--31 percent above a year earlier and the largest in 4 years. The Netherlands, by far the leading outlet, boosted takings nearly 80 percent. France, ranking second, and Republic of the Congo, ranking third, took 1 and 17 percent more, respectively. Substantially more than a year earlier went to Belgium, Switzerland, Sweden, and Denmark; moderately more went to Egypt. A sizable quantity was shipped to Tunisia in contrast to none a year earlier. Considerably more Kentucky-Tennessee fire-cured than in 1964/65 was exported to Italy, and a little more, to Ireland; but there were reductions to West Germany, South Vietnam, Finland and Morocco.

The 1965/66 exports of Virginia fire-cured--about 5¼ million pounds (farm-sales weight)--were down about a sixth from the relatively high level of the 2 preceding years, when exports approximated 6½ million pounds each year. Norway, principal destination, increased takings 19 percent. But the United Kingdom--second ranking outlet in 1964/65--slashed takings 73 percent to the lowest in 11 years. More Virginia fire-cured than a year earlier went to Austria, Sweden, and Switzerland; some also went to Syria, Surinam, and Ireland. West Germany and New Guinea reduced takings about a tenth and a sixth, respectively, and none was reported shipped to Belgium, in contrast to a sizable quantity a year earlier.

Dark Air-Cured and Sun-Cured, Types 35-37

Prices and Price Support

Auction markets for One Sucker and Green River (Kentucky-Tennessee dark air-cured, types 35-36) opened December 7 and December 6, respectively. For sales through December 20, type 35 prices averaged 38.0 cents per pound, about the same as a year earlier; type 36 prices averaged 36.9 cents per pound, compared with 37.2 cents a year earlier. Auctions at Richmond opened for Virginia sun-cured (type 37) on December 6. For all sun-cured sales through December 16, prices averaged 41.8 cents per pound, compared with 40.7 cents in the corresponding period of 1965.

The overall price support level for 1966 dark air-cured and sun-cured is 36.6 cents a pound. For the 1967 crop, available data indicate the support level will be about 2 percent higher than for the current crop.

Through mid-December, about 13 percent of 1966 auction market offerings of One Sucker and about 24 percent of Green River were placed under loan. In the corresponding period of 1965, about 9 percent of One Sucker and about 20 percent of Green River were placed under loan. Loan receipts of Virginia sun-cured thus far this season amounted to 2 percent of sales.

Supplies

The 1966/67 supply of dark air- and sun-cured tobacco, at about 86 million pounds, is slightly less than for 1965/66. Total supply of dark air-cured types 35-36 is practically the same as the previous year's, since an increase in the crop just about offset a small decline in carryover stocks. Allotments for most farms were about the same as in 1965; however, harvested acreage declined 5 percent. The average yield per acre of type 35 is estimated to have risen a sixth from 1965 to the second highest on record, while the estimated average yield of type 36 increased 3 percent to a new high. The 1966/67 total supply of Virginia sun-cured, type 37, is about 8 percent below 1965/66. Carryover was about the same as a year earlier, but the crop was a fourth smaller than 1965. Both acreage and average yield per acre were down from a year earlier. Acreage allotments for most farms were about the same as in 1965.

Total stocks of dark air-cured tobacco are substantial, compared with annual disappearances. Government loan stocks on October 1, 1966--outset of the current marketing year--were down moderately from the relatively high level 1 and 2 years earlier, but were still 15 percent above the average October 1 level in 1959-63.

By February 1, 1967, the Secretary of Agriculture will announce marketing quotas and acreage allotments for dark air-cured and Virginia sun-cured tobacco. Shortly thereafter, a referendum will be held for growers of dark air-cured (types 35-36) to vote on whether they favor marketing quotas on their 1967, 1968, and 1969 crops. Approval by at least two-thirds of the growers voting is required if marketing quotas are to continue in effect. In the last referendum, held February 1964, close to 98 percent of growers of types 35-36 who voted approved quotas for their next 3 crops. Producers of Virginia sun-cured, type 37, approved marketing quotas for their 1965-67 crops in a referendum held February 1965.

Domestic Use and Exports

Total disappearance of dark air-cured and sun-cured in the year ended September 30, 1966 was about 21-3/4 million pounds--8 percent below the previous year. Both domestic use and exports of the dark air-cured types 35-36 were down. Domestic use of these tobaccos dropped a tenth, with both types sharing in the decline. Domestic use of the much smaller-volume Virginia sun-cured type 37 rose around a sixth, to about equal the level of 2 years earlier. The chief use of dark air-cured tobacco in this country is in the manufacture of plug, twist, and fine-cut chewing tobacco. In October 1965/September 1966, combined output of these products was 1 percent below a year earlier.

Exports of dark air-cured and sun-cured in 1965/66 (including allowance for Black Fat) totaled about 4 million pounds (farm-sales weight)--7 percent below a year earlier, but about 15 to 20 percent above the relatively low level 2 and 3 years earlier. Exports of One Sucker leaf declined 3 percent. Shipments to South Vietnam dropped sharply and none was shipped to the United Kingdom, in contrast to a significant quantity in 1964/65. On the other hand, exports to Belgium nearly tripled and those to the Republic of the Congo increased appreciably. The 1965/66 exports of Green River fell 40 percent below a year earlier. The Republic of the Congo took only about a fourth as much as in 1964/65. Also, the United Kingdom cut its takings about a sixth. None was reported exported to South Vietnam, although a year earlier, a significant quantity went there. But Australia took a substantially larger amount in 1965/66 than in 1964/65.

Table 20.--Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	27.8	76.6	104.4	23.6	18.4	5.2
1956	30.7	80.8	111.5	34.0	23.4	10.6
1957	19.8	77.5	97.3	24.8	18.5	6.3
1958	16.1	72.5	88.6	25.0	17.5	7.5
1959	19.3	63.6	82.9	21.9	16.4	5.5
1960	18.2	61.0	79.2	22.0	17.3	4.7
1961	20.6	57.2	77.8	22.6	17.9	4.7
1962	22.5	55.2	77.7	19.5	16.5	3.0
1963	24.2	58.2	82.4	21.2	18.1	3.1
1964	22.7	61.2	83.9	22.0	18.0	4.0
1965	18.5	61.9	80.4	19.8	16.2	3.6
1966 2/	19.6	60.6	80.2			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966 4/	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	31.8	30.8	6.3	22.7	0	
1956	34.0	32.1	6.6	21.5	0	
1957	36.1	34.5	3.0	15.2	0	
1958	38.4	34.5	.5	2.7	.1	
1959	34.5	34.5	3.7	19.2	.4	
1960	37.4	34.5	2.2	12.2	.3	
1961	37.8	34.5	1.9	9.2	1.4	
1962	36.2	34.8	4.1	18.2	3.2	
1963	33.3	35.2	8.3	34.3	7.7	
1964	37.0	35.5	3.7	16.3	3.7	
1965	37.0	35.9	3.2	17.3	3.2	
1966		36.6	5/	5/	5/	
Total	---	---	43.5	---	20.0	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

5/ Through mid-December, about 17 percent of marketings were placed under loan.

Table 21.--Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	3.3	4.2	7.5	2.9	2.1	0.8
1956	3.2	4.6	7.8	2.5	1.9	.6
1957	2.7	5.3	8.0	2.5	1.9	.6
1958	1.9	5.5	7.4	2.5	2.2	.3
1959	2.2	4.9	7.1	1.9	1.6	.3
1960	1.8	5.2	7.0	2.0	1.7	.3
1961	2.2	5.0	7.2	2.1	1.8	.3
1962	2.3	5.1	7.4	2.3	2.0	.3
1963	1.1	5.1	6.2	2.0	1.7	.3
1964	1.8	4.2	6.0	1.7	1.4	.3
1965	2.0	4.3	6.3	2.0	1.7	.3
1966 2/	1.5	4.3	5.8			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on November 30, 1966	
			Quantity	Percentage of crop		
	Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.	
1955	25.3	30.8	72	2.2	0	
1956	35.7	32.1	103	3.2	0	
1957	34.0	34.5	11	.4	0	
1958	36.8	34.5	29	1.5	0	
1959	34.4	34.5	24	1.1	0	
1960	37.9	34.5	5	.3	0	
1961	39.8	34.5	7	.3	0	
1962	37.4	34.8	59	2.6	0	
1963	31.4	35.2	92	8.1	0	
1964	41.2	35.5	16	.9	0	
1965	39.2	35.9	75	3.8	0	
1966		36.6	4/	4/		
Total	---	---	493	---	0	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Through mid-December, about 2 percent of marketings were placed under loan.

Exports of Black Fat--a semiprocessed form of One Sucker and fire-cured tobacco especially for sale abroad--were the largest in 4 years and 7 percent greater than 1964/65. Nigeria, the leading outlet, took about the same quantity as a year earlier, but increased exports went to Ghana, Cameroon Republic, and Togo. A significant quantity was shipped to the Netherlands, probably for re-export. Less Black Fat than in 1964/65 was exported to West Africa and Spanish Africa.

Cigar Tobacco, Domestic and Imported

Prices and Price Support

Official price data on the 1966 cigar tobacco crops are not yet available. Press reports indicate that approximately two-thirds of the Connecticut Broadleaf and Connecticut Valley Havana Seed crops have been sold at prices ranging mostly from 50 to 55 cents per pound--moderately above last season. Sales of the Wisconsin types usually start in January. The Government overall price support levels for the 1966 crops of eligible types or groups of types are shown in table 22. Available data indicate that price support levels in 1967 will be about 2 percent above 1966 levels for the eligible cigar tobaccos.

Supplies

Filler: The 1966/67 supply of Pennsylvania cigar filler is at a 5-year low--6 percent below 1965/66. The 1966 crop is estimated to be down 18 percent from 1965 to a 9-year low, and carryover edged downward 1 percent from a year earlier when it was second largest in many years. The 1966/67 supply of Ohio filler edged to a new low, just under 1965/66; the increase in production in 1966 was not quite enough to offset the drop in carryover to a new low. The 1966/67 supply of Puerto Rican filler is expected to be down considerably from 1965/66, if growers' harvestings are near the quota set by the Puerto Rican Government. This crop is planted late in the calendar year and harvested in the first months of the following year. The October 1, 1966, carryover was about one-sixth lower than a year earlier, but was still the second highest since 1956. The 1965 harvest was down 46 percent from 1964, and the Puerto Rican quota for 1966 again calls for a crop only about half as large as that of 1964.

Imported cigar tobacco: The October 1, 1966, stocks of foreign-grown cigar tobacco owned by U.S. manufacturers and dealers, compared with those of 1 and 2 years earlier, are shown below:

Country of origin	Farm-sales weight, as of Oct. 1		
	1964	1965	1966
	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>
Philippines	18.3	42.7	42.5
Brazil	11.8	16.3	13.2
Colombia	17.9	17.1	12.2
Dominican Republic	17.0	18.2	11.6
Cuba	15.7	10.5	6.0
Indonesia	5.7	7.7	5.6
Paraguay	3.2	4.1	3.3
Other	7.1	11.3	12.3
Total*	96.5	127.8	106.5

*Based on unrounded data.

Table 22.--Cigar tobacco types: Government price support levels 1963-66 and season average prices, 1963-65

Types	1963		1964		1965		1966
	Price support level 1/	Season average price	Price support level 1/	Season average price	Price support level 1/	Season average price	Price support level 1/
	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.
Puerto Rican filler, type 46	30.3	40.8	30.6	37.2	30.9	31.0	31.5
Conn. Valley Broadleaf, type 51	() (40.4)	51.0	() (40.8)	50.0	() (41.2)	46.5	() (42.0)
Conn. Valley Havana Seed, type 52	()	41.6	()	43.8	()	44.5	()
Ohio filler, types 42-44	()	27.1	()	26.7	()	26.2	()
So. Wis., type 54	(29.2)	30.0	(29.5)	32.2	(29.7)	29.7	(30.3)
No. Wis., type 55	()	31.6	()	35.8	()	28.9	()

1/ Support levels are adjusted to reflect the relative change between the 1959 parity index and the average of the parity index for the 3 most recent calendar years.

Table 23.--Cigar tobacco price support operations, quantities placed under loan, 1955-65, and remaining under loan November 30, 1966

Crop	Quantities placed under loan						Total
	Puerto Rican, type 46	Ohio, types 42-44	Connecticut Valley, type 51	Connecticut Valley, type 52	Southern Wisconsin, type 54	Northern Wisconsin, type 55	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1955	2.8	0.8	7.8	5.2	0.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	0	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	1/	4.4
1960	.9	0	1.6	2.6	3.2	3.2	11.5
1961	.4	0	.8	1.9	1.5	4.5	9.1
1962	.7	.1	.2	1.4	.3	4.4	2/ 7.1
1963	.6	.6	.2	1.3	1.0	3.1	6.8
1964	0	.1	.1	1.0	1/	.8	2.0
1965	1.8	.2	.9	.5	.6	3.2	7.2
1966	(Marketings of these types will mostly occur in 1967 except in Connecticut Valley.)						
Total	14.5	2.3	17.6	16.2	8.0	23.6	2/82.2
Remaining under loan as of November 30, 1966							
1960	0	0	0	.2	0	0	.2
1961	0	0	0	.6	0	0	.6
1962	0	0	0	.4	0	0	.4
1963	0	0	.1	.3	0	0	.4
1964	0	0	.1	.3	0	0	.4
1965	1.8	.2	.8	.4	.6	3.2	7.0
Total	1.8	.2	1.0	2.2	.6	3.2	9.0

1/ Negligible. 2/ Includes negligible amount from the 1962 crop of New York and Pennsylvania Havana Seed (type 53).

Stocks of Philippine tobacco have been maintained at a high level, but stocks of Brazilian, Colombian and Dominican tobaccos were reduced 19, 29, and 36 percent, respectively, below a year earlier. Stocks of Cuban tobacco are steadily diminishing and are less than one-sixth of what they were 5 years ago. Stocks of Indonesian and Paraguayan tobacco also declined from their year-earlier levels. Combined stocks of all foreign cigar tobaccos in the United States on October 1, 1966, declined 17 percent below a year earlier; however, due to the big volume of Philippine tobacco they exceeded any other previous year. Stocks of foreign cigar tobaccos (not including Philippine tobacco) were down 25 percent from October 1, 1965, and were 18 percent below October 1, 1964.

During January-October 1966, general imports (total arrivals) from the Philippine Republic were about $24\frac{1}{2}$ million pounds (farm-sales weight equivalent)--sharply less than the unusually large 41 million pounds that arrived in January-October 1965 when stocks were being built up. Arrivals from Brazil and Colombia--at about $2\frac{1}{2}$ million and nearly 5 million pounds--were down 76 and 40 percent, respectively, from those in January-October 1965. Less than 1 million pounds of Dominican tobacco came in--about one-fifth as much as a year earlier. Arrivals from Indonesia were negligible in contrast with 3 million pounds a year earlier. Only a little over 1 million pounds came from Paraguay, two-fifths less than a year earlier. On the other hand, the January-October 1966 tobacco arrivals from Mexico at about $4\frac{1}{4}$ million pounds were one-fifth above a year earlier, and those from Honduras--at about 900,000 pounds--were up about 31 percent.

Binder: The 1966/67 supply of Connecticut Valley Broadleaf dropped 9 percent to a new low; the 1966 crop fell 23 percent below 1965, and carryover declined 5 percent from a year earlier. Also, the 1966/67 supply of Connecticut Valley Havana Seed fell 20 percent to a new low; the 1966 crop--the smallest on record--was over a fourth below 1965, and carryover was down 18 percent from a year earlier.

The 1966/67 supply of Southern Wisconsin tobacco declined 5 percent from 1965/66 and is smallest since 1958/59. The 1966 crop--15 percent below 1965--was the smallest since 1956; carryover was only slightly less than a year earlier. The 1966/67 supply of Northern Wisconsin tobacco is practically the same as 1965/66 (supplies of this type have fluctuated fairly narrowly since 1959). The 1966 crop--down one-eighth from 1965--was record low, but carryover rose 5 percent to a 9-year high.

1967 Marketing Quotas and Acreage Allotments: By February 1, 1967, the 1967 marketing quotas and acreage allotments will be announced for (1) Connecticut Valley binder types 51-52 and (2) Ohio filler types 42-44 and binder types 53-55 (principally Wisconsin). These tobaccos have been under marketing quotas continuously since 1952; the last referendums were held in February 1966 when growers approved quotas for the 1966, 1967 and 1968 crops.

A quota has never been in effect on Pennsylvania filler type 41 inasmuch as growers disapproved marketing quotas in all past referendums--most recently in February 1965 on the 1965, 1966, and 1967 crops.

The cigar wrapper types grown in the Connecticut Valley (type 61) and in Georgia-Florida (type 62) are not subject to the law providing for marketing quotas and price supports.

Wrapper: The 1966/67 supply of Connecticut Valley Shadegrown wrapper rose to a record high-- $4\frac{1}{2}$ percent above 1965/66. Though production in 1966 was about 5 percent below the record level of 1965, carryover was up 14 percent from a year earlier. The 1966/67 supply of Georgia-Florida wrapper is virtually the same as 1965/66. The 1966 crop was down 11 percent, but a nearly corresponding increase in carryover offset this.

Table 24.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance <u>1/</u>			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Pennsylvania Seedleaf (type 41)							
1955	45.7	113.0	158.7	55.0	54.6	0.4	24.5
1956	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	42.8	42.7	.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960	52.7	109.7	162.4	47.5	47.4	.1	28.0
1961	53.5	114.9	168.4	45.5	45.4	.1	27.0
1962	60.0	122.9	182.9	2/52.0	2/51.7	.3	23.5
1963	51.8	128.0	179.8	2/44.7	44.2	.5	21.0
1964	45.9	138.1	184.0	54.6	54.1	.5	27.0
1965	51.3	129.4	180.7	53.0	51.2	1.8	24.0
1966 <u>3/</u>	41.9	127.7	169.6				
Ohio, Miami Valley (types 42-44)							
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960	6.6	17.5	24.1	6.5	6.5		28.1
1961	7.7	17.6	25.3	5.1	5.1		28.3
1962	7.5	20.2	27.7	6.6	6.6		28.2
1963	6.8	21.1	27.9	8.7	8.7		27.1
1964	5.8	19.2	25.0	8.0	8.0		26.7
1965	5.4	17.0	22.4	6.2	6.2		26.2
1966 <u>3/</u>	6.1	16.2	22.3				
Puerto Rico (type 46) <u>4/</u>							
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	28.1	42.4	70.5	26.7	26.2	.5	31.6
1960	27.5	43.8	71.3	28.0	27.9	.1	33.7
1961	30.7	43.3	74.0	32.4	32.3	.1	36.8
1962	35.6	41.6	77.2	28.0	28.0	---	38.0
1963	32.0	49.2	81.2	29.8	29.6	.2	40.8
1964	30.8	51.4	89.3	26.7	26.7	---	37.2
1965	16.6	62.6	79.2	27.4	27.4	---	31.0
1966 <u>3/</u>	5/15.0	51.8	66.8				

1/ Year beginning October 1.2/ Adjusted to take into account 1962 tobacco still held at the farm level at end of 1962-63 marketing year.3/ Subject to revision.4/ Puerto Rican planting occurs late in calendar year. 5/ Quota set by Commonwealth Government of Puerto Rico.

Table 25.--Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance 1/		Exports	Average price per pound
				Total	Domestic		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Connecticut Valley Broadleaf (type 51)							
1955	12.1	33.4	45.5	14.7	14.3	0.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957	5.1	25.5	30.6	8.4	7.7	.7	50.0
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0
1959	4.5	20.0	24.5	4.1	3.9	.2	45.0
1960	3.6	20.4	24.0	4.6	4.3	.3	44.0
1961	3.1	19.4	22.5	3.7	3.6	.1	43.3
1962	2.9	18.8	21.7	6.2	6.0	.2	53.5
1963	3.7	15.5	19.2	4.6	4.3	.3	51.0
1964	3.8	14.6	18.4	3.7	2/	2/	50.0
1965	3.5	14.7	18.2	4.3	2/	2/	46.5
1966 3/	2.7	13.9	16.6				
Connecticut Valley Havana Seed (type 52)							
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4
1959	3.2	14.5	17.7	4.9	4.2	.7	41.2
1960	3.2	12.8	16.0	4.2	2.4	1.8	42.5
1961	2.4	11.8	14.2	3.2	2.1	1.1	40.6
1962	2.4	11.0	13.4	3.3	2.6	.7	42.5
1963	2.3	10.1	12.4	4.1	2.8	1.3	41.6
1964	1.9	8.3	10.2	3.6	2/	2/	43.8
1965	1.5	6.6	8.1	2.7	2/	2/	44.5
1966 3/	1.1	5.4	6.5				
Total Connecticut Valley (types 51-52)							
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4
1959	7.7	34.5	42.2	9.0	8.1	.9	42.6
1960	6.8	33.2	40.0	8.8	6.5	2.3	43.3
1961	5.5	31.2	36.7	6.9	5.7	1.2	42.1
1962	5.3	29.8	35.1	9.5	8.6	.9	48.5
1963	6.0	25.6	31.6	8.7	7.1	1.6	47.5
1964	5.7	22.9	28.6	7.3	5.2	2.1	47.9
1965	5.0	21.3	26.3	7.0	4.9	2.1	45.9
1966 3/	3.8	19.3	23.1				

1/ Year beginning October 1.

2/ Breakdown between domestic use and exports not available for individual types of Connecticut Valley binder tobacco.

3/ Subject to revision.

Table 26.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance <u>1/</u>			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Southern Wisconsin (type 54)							
1955	6.7	29.0	35.7	10.3	9.9	0.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957	7.6	21.0	28.6	8.6	8.2	.4	31.1
1958	8.8	20.0	28.8	8.0	7.6	.4	34.6
1959	9.2	20.9	30.1	8.0	7.7	.3	29.3
1960	8.6	22.2	30.8	7.5	7.3	.2	28.0
1961	9.0	23.3	32.3	9.0	8.9	.1	28.7
1962	8.7	23.3	32.0	7.7	7.6	.1	29.3
1963	8.3	24.3	32.6	9.7	9.7	<u>2/</u>	30.0
1964	8.7	22.9	31.6	8.9	<u>3/</u>	<u>3/</u>	32.2
1965	8.5	22.7	31.2	8.8	<u>3/</u>	<u>3/</u>	29.7
1966 <u>4/</u>	7.2	22.4	29.6				
Northern Wisconsin (type 55)							
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.4	12.1	2.3	35.2
1959	11.6	25.3	36.9	12.4	11.5	.9	37.1
1960	12.3	24.4	36.7	11.3	10.9	.4	30.6
1961	13.4	25.4	38.8	11.0	10.6	.4	29.6
1962	10.9	27.8	38.7	11.1	10.9	.2	29.1
1963	9.7	27.6	37.3	12.5	12.5	<u>2/</u>	31.6
1964	11.2	24.8	36.0	9.2	<u>3/</u>	<u>3/</u>	35.8
1965	10.8	26.8	37.6	9.4	<u>3/</u>	<u>3/</u>	28.9
1966 <u>4/</u>	9.4	28.2	37.6				
Total Wisconsin (types 54-55)							
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.4	19.7	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960	20.9	46.6	67.5	18.8	18.2	.6	29.5
1961	22.4	48.7	71.1	20.0	19.5	.5	29.2
1962	19.6	51.1	70.7	18.9	18.6	.3	29.2
1963	18.0	51.9	69.9	22.2	22.2	<u>2/</u>	30.9
1964	19.9	47.7	67.6	18.1	17.5	.6	34.2
1965	19.3	49.5	68.8	18.2	17.9	.3	29.3
1966 <u>4/</u>	*16.7	50.6	67.3				

1/ Year beginning October 1.2/ Negligible.3/ Breakdown between domestic use and exports not available for individual types of Wisconsin tobacco.4/ Subject to revision.

*Based on unrounded data.

Table 27.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Shade-grown (type 61)							
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960	12.0	16.2	28.2	11.3	8.8	2.5	190.0
1961	10.3	16.9	27.2	12.0	8.7	3.3	235.0
1962	11.9	15.2	27.1	11.1	8.3	2.8	250.0
1963	12.0	16.0	28.0	14.1	10.0	4.1	260.0
1964	13.5	13.9	27.4	13.1	10.0	3.1	250.0
1965	14.6	14.3	28.9	12.6	9.3	3.3	250.0
1966 2/	13.9	16.3	30.2				
Georgia-Florida Shade-grown (type 62)							
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.1	1.4	195.0
1960	9.3	7.7	17.0	6.5	5.5	1.0	200.0
1961	8.8	10.5	19.3	9.1	6.5	2.6	190.0
1962	7.4	10.2	17.6	8.5	6.4	2.1	205.0
1963	6.7	9.1	15.8	7.6	5.3	2.3	205.0
1964	7.6	8.2	15.8	8.5	7.3	1.2	235.0
1965	8.3	7.3	15.6	7.4	5.6	1.8	225.0
1966 2/	7.4	8.2	15.6				
Total Shade-grown (types 61-62)							
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.2	3.9	204.0
1960	21.3	23.9	45.2	17.8	14.3	3.5	194.0
1961	19.1	27.4	46.5	21.1	15.2	5.9	214.0
1962	19.3	25.4	44.7	19.6	14.7	4.9	233.0
1963	18.7	25.1	43.8	21.7	15.3	6.4	240.0
1964	21.1	22.1	43.2	21.6	17.3	4.3	245.0
1965	22.9	21.6	44.5	20.0	14.9	5.1	241.0
1966 2/	21.3	24.5	45.8				

1/ Year beginning July 1.

2/ Subject to revision.

Domestic Use and Exports

Filler: The 1965/66 domestic use of Pennsylvania filler--at 51.2 million pounds--although the third largest in 10 years, was nearly 4 million smaller than use in 1964/65. The 1965/66 domestic use of Ohio filler--at 6.2 million pounds--was the third lowest in 10 years and about $1\frac{3}{4}$ million below 1964/65. The 1965/66 domestic use of Puerto Rican filler--at 27.4 million pounds--was the second lowest in 6 years, but was about $\frac{1}{4}$ million pounds above 1964/65 use.

The major outlet for domestically-produced filler tobacco is cigars, although a sizable quantity of Pennsylvania tobacco is used in the manufacture of scrap chewing tobacco. Pennsylvania tobacco is also one of the major components of reconstituted sheet tobacco used for cigar binders.

The 1965/66 exports of cigar filler tobacco totaling 1.8 million pounds (farm-sales weight)--the most in 16 years--were $3\frac{1}{4}$ times the comparatively small quantity in 1964/65. The three major destinations were South Vietnam, Canada and France, each of which raised takings sharply. The United Kingdom and Switzerland also took more than a year earlier, but the Netherlands and Sweden took less.

Use of imported tobacco: During October 1965/September 1966, the use of Philippine tobacco is estimated to have been about 28 million pounds (farm-sales weight equivalent)--3 million above 1964/65, and 8 million above 1963/64. Dominican tobacco entering consumption channels--at about $7\frac{1}{2}$ million pounds--was down one-half from 1964/65. Use of Colombian tobacco--at a little over 7 million pounds--was down more than a third from a year earlier. The 1965/66 consumption of Brazilian tobacco--at nearly 6 million pounds--was one-fifth less than in 1964/65, while use of Indonesian tobacco--at about $1\frac{1}{2}$ million pounds--was down more than one-half. Less Argentine and Jamaican tobacco was used. The 1965/66 use of Cuban tobacco from the steadily declining stocks remaining in the U.S.--at a little over $4\frac{1}{2}$ million pounds--was down about 12 percent from 1964/65. It was only about one-eighth that used annually before the embargo on Cuban tobacco was imposed almost 5 years ago. On the other hand, the 1965/66 consumption of Mexican tobacco--at about $3\frac{1}{2}$ million pounds--and of Paraguayan tobacco--at about $2\frac{1}{4}$ million pounds--were each up about 40 percent over 1964/65. Use of Honduran tobacco--nearly 1 million pounds--was about 30 percent higher than a year earlier.

Binder: The 1965/66 disappearance of Connecticut Valley cigar binder types--at 7.0 million pounds--was a new low, or 4 percent below 1964/65. The decline appears to have been in domestic use of Connecticut Valley Havana Seed, which may have more than offset a small increase in use of Connecticut Valley Broadleaf. Exports of Connecticut Valley binder types held about even with a year earlier. The 1965/66 exports to West Germany were nearly double 1964/65, but this was largely offset by one-fourth less going to Spain--the leading U.S. outlet--and decreases to Canary Islands and Denmark.

The 1965/66 disappearance of Southern Wisconsin tobacco--at 8.8 million pounds--was only slightly less than in 1964/65, while disappearance of Northern Wisconsin tobacco--at 9.4 million pounds--increased slightly from the long-time low of a year earlier. Domestic use accounted for nearly all of the 1965/66 disappearance of these types, since exports--at about 300,000 pounds--were only one-half as much as in 1964/65. East Germany--the leading U.S. destination--took only about one-fourth as much as a year earlier. Less also went to West Germany. More went to Canada--about a third of the total--in contrast with a negligible quantity in 1964/65.

Wrapper: The July 1965/June 1966 domestic use of Connecticut Valley wrapper--at 9.3 million pounds--was 7 percent below a year earlier, but exports--at 3.3 million pounds--increased $6\frac{1}{2}$ percent. During the first third of 1966/67 (July-October), exports of this type held about even with those of a year earlier. The United Kingdom raised its takings sharply, but less went to West Germany and Canada. Shipments to the Canary Islands were up from the year-earlier period.

The July 1965/June 1966 domestic use of Georgia-Florida wrapper--at 5.6 million pounds--fell sharply from the record high of a year earlier, but exports--at 1.8 million pounds--increased appreciably from the 4-year low of 1964/65. During the first third of 1966/67 (July-October), exports were unusually small--like the seasonal pattern a year earlier. A bit more went to both West Germany and Belgium, but less went to Canada. East Germany took some, in contrast to none in the same months of 1965.

:
: The Tobacco Situation is published in :
: March, June, September, and December. :
: :
: The next issue is scheduled for release :
: March 29, 1967. :
: :

Table 28.--Acreage of tobacco in the United States, by class and type, 1962-66 and percentages

Class and type	1962	1963	1964	1965 1/	1966 1/	Percent- age change 1965 to 1966
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Old and Middle Belt, type 11	264.5	251.0	227.0	202.8	212.7	4.9
Eastern North Carolina, type 12	234.0	223.0	202.0	182.0	199.0	9.3
South Carolina, type 13	142.0	135.5	122.0	111.6	118.5	6.2
Georgia and Florida, type 14	89.3	85.0	76.6	65.9	75.3	14.3
Total flue-cured, types 11-14	729.8	694.5	627.6	562.3	605.5	7.7
Virginia, type 21	7.6	6.6	7.3	7.6	6.0	-21.1
Kentucky and Tennessee, type 22	20.5	19.8	17.8	16.7	15.4	- 7.8
Kentucky and Tennessee, type 23	8.0	7.9	7.0	6.6	5.7	-13.6
Total fire-cured, types 21-23	36.1	34.3	32.1	30.8	27.1	-12.0
Burley, type 31	338.6	338.5	306.6	277.1	240.8	-13.1
Maryland, type 32	41.0	34.5	39.0	33.5	36.0	7.5
One Sucker, type 35	9.2	9.2	8.1	7.5	7.2	- 4.0
Green River, type 36	4.7	4.6	4.3	3.8	3.5	- 7.9
Virginia sun-cured, type 37	2.2	1.5	1.7	1.8	1.4	-22.2
Total dark air-cured, types 35-37	16.1	15.3	14.1	13.1	12.1	- 7.6
Pennsylvania Seedleaf, type 41	30.0	28.0	27.0	27.0	25.0	- 7.4
Miami Valley, types 42-44	4.2	3.9	3.7	3.7	3.2	-13.5
Total cigar filler, types 41-44	34.2	31.9	30.7	30.7	28.2	- 8.1
Connecticut Valley Broadleaf, type 51	1.5	1.8	1.9	1.9	1.3	-31.6
Connecticut Valley Havana Seed, type 52	1.1	1.0	.9	.7	.5	-28.6
Southern Wisconsin, type 54	4.9	4.6	4.6	4.7	3.9	-17.0
Northern Wisconsin, type 55	7.2	6.1	6.3	6.2	5.4	-12.9
Total cigar binder, types 51-55	14.7	13.5	13.7	13.5	11.1	-17.8
Connecticut Valley Shade-grown, type 61	7.9	7.8	8.4	9.3	8.7	- 6.5
Georgia and Florida Shade-grown, type 62	5.3	5.1	5.4	6.3	5.8	- 7.9
Total cigar wrapper, types 61-62	13.2	12.9	13.8	15.6	14.5	- 7.1
Louisiana Perique, type 72	.35	.3	.2	.3	.2	-33.3
Total all types	1,224.1	1,175.7	1,077.8	976.9	975.5	- .1

1/ Subject to revision.

Table 29.--Tobacco: Acreage and yield per acre in the United States, by types, or groups of types, for specified periods

Period	Flue-cured		Fire-cured		Dark		Va.		Filler		Binder		Total	
	Burlington		Ky.-Tenn.		air-		sun-		41		46		61-62	
	acres	lb.	acres	lb.	acres	lb.	acres	lb.	acres	lb.	acres	lb.	acres	lb.
1950	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1951	958.4	408.3	50.0	9.8	25.5	43.1	3.2	37.3	7.8	37.0	22.1	13.7	1,636.0	1,636.0
1952	1,110.1	456.1	53.0	10.0	23.0	39.0	3.5	34.9	4.9	36.0	15.3	13.6	1,815.9	1,815.9
1953	1,021.8	463.5	50.0	9.8	22.9	37.6	3.4	23.7	5.7	36.7	15.1	13.1	1,808.5	1,808.5
1954	1,042.2	419.7	45.0	9.9	22.3	38.4	3.7	25.8	4.7	41.7	14.6	12.3	1,674.6	1,674.6
1955	990.7	420.9	50.0	10.0	21.8	42.0	4.1	29.2	4.6	38.0	14.4	13.0	1,705.5	1,705.5
1956	875.3	309.8	43.7	8.5	19.3	38.5	3.1	29.0	3.9	26.3	7.2	11.8	1,389.8	1,389.8
1957	662.7	306.6	37.0	6.9	14.5	24.7	2.6	29.0	3.6	26.5	4.3	11.6	1,148.3	1,148.3
1958	639.4	297.1	34.0	6.8	12.7	24.3	1.6	30.0	3.0	24.2	2.9	12.9	1,102.1	1,102.1
1959	693.4	301.0	40.0	7.6	13.2	27.6	2.1	31.0	3.9	26.3	4.5	14.0	1,179.1	1,179.1
1960	691.8	295.7	37.5	7.3	13.0	25.9	1.8	31.0	4.3	28.5	3.8	14.6	1,170.0	1,170.0
1961	698.5	318.9	40.0	7.5	13.5	27.9	2.1	31.0	4.6	27.0	2.9	13.7	1,201.4	1,201.4
1962	729.8	338.6	41.0	7.6	13.9	28.5	2.2	30.0	4.2	28.5	2.6	12.1	1,252.6	1,252.6
1963	694.5	338.5	34.5	6.6	13.8	27.7	1.5	28.0	3.9	30.0	2.8	10.7	1,205.7	1,205.7
1964	627.6	306.6	39.0	7.3	12.4	24.8	1.7	27.0	3.7	30.8	2.8	10.9	1,108.6	1,108.6
1965	562.3	277.1	33.5	7.6	11.3	23.2	1.8	27.0	3.7	17.0	2.6	10.9	993.9	993.9
1966 2/	605.5	240.8	36.0	6.0	10.7	21.1	1.4	25.0	3.2	3/14.0	1.8	9.3	989.5	989.5
1950	1,312	1,222	800	1,310	983	1,054	1,120	1,500	1,350	689	1,670	1,446	1,256	1,256
1951	1,309	1,355	785	1,340	1,204	1,183	1,145	1,610	1,480	781	1,676	1,473	1,299	1,299
1952	1,229	1,403	805	1,250	1,314	1,223	1,100	1,600	1,550	935	1,620	1,447	1,266	1,266
1953	1,245	1,345	900	930	1,060	1,034	790	1,480	1,400	818	1,833	1,400	1,250	1,250
1954	1,261	1,586	875	1,060	1,395	1,229	1,900	1,670	1,750	895	1,754	1,530	1,336	1,336
1955	1,497	1,513	670	1,155	1,391	1,399	775	1,550	1,700	831	1,643	1,469	1,451	1,451
1956	1,625	1,635	840	1,260	1,592	1,555	1,030	1,670	1,625	913	1,849	1,712	1,583	1,583
1957	1,471	1,592	1,040	1,245	1,367	1,411	1,030	1,420	1,270	1,008	1,940	1,709	1,442	1,442
1958	1,691	1,567	915	1,385	1,269	1,393	1,170	1,700	835	1,058	1,867	1,682	1,599	1,599
1959	1,559	1,669	780	1,320	1,466	1,560	1,040	1,725	1,770	1,068	1,712	1,449	1,547	1,547
1960	1,808	1,639	925	1,220	1,403	1,411	995	1,700	1,535	965	1,826	1,431	1,685	1,685
1961	1,801	1,820	970	1,300	1,525	1,552	1,045	1,725	1,665	1,137	1,856	1,640	1,741	1,741
1962	1,930	1,993	990	1,255	1,619	1,566	1,040	2,000	1,775	1,249	2,014	1,621	1,876	1,876
1963	1,975	2,231	1,000	940	1,751	1,795	760	1,850	1,740	1,067	2,093	1,680	1,970	1,970
1964	2,211	2,022	1,085	1,245	1,828	1,854	1,060	1,700	1,555	1,232	2,021	1,821	2,043	2,043
1965	1,883	2,116	1,150	1,260	1,639	1,574	1,105	1,900	1,465	976	1,910	1,765	1,883	1,883
1966 2/	1,820	2,284	1,050	1,250	1,834	1,850	1,050	1,675	1,900	n.a.	2,110	1,792	1,882	1,882

1/ Total includes Perique--type 72--and in 1950-53, type 53. 2/ Preliminary. 3/ Approximation based on reduction in quota. n.a.--not available.

Table 30.--Tobacco: Acreage, yield, production, stocks, supply, disappearance, price and crop value, United States and United States including Puerto Rico, for specified years (farm-sales weight)

Crop year	Acreage	Yield	Production	Stocks	Supply	Disappearance 1/			Average price per pound	Value of crop
						Total	Domestic	Exports		
	1,000 acres	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents	Million dollars
Average: 1947-49	1,676	1,208	2,019	2,947	4,965	1,908	1,417	491	45.9	926
1950	1,599	1,269	2,030	3,089	5,119	1,975	1,452	523	51.7	1,049
1951	1,780	1,310	2,332	3,144	5,476	2,072	1,488	584	51.1	1,191
1952	1,772	1,273	2,256	3,404	5,660	2,055	1,557	498	49.9	1,125
1953	1,633	1,261	2,059	3,605	5,664	1,995	1,480	515	52.3	1,076
1954	1,668	1,346	2,243	3,669	5,912	1,935	1,419	516	51.1	1,147
1955	1,495	1,466	2,193	3,977	6,170	2,058	1,410	648	53.2	1,166
1956	1,364	1,596	2,176	4,112	6,288	1,929	1,373	556	53.7	1,169
1957	1,122	1,486	1,668	4,359	6,027	1,921	1,393	528	56.1	936
1958	1,078	1,611	1,737	4,106	5,843	1,923	1,388	535	59.9	1,040
1959	1,153	1,558	1,796	3,920	5,716	1,927	1,424	503	58.3	1,048
1960	1,142	1,703	1,944	3,789	5,733	2,029	1,462	567	60.9	1,184
1961	1,174	1,755	2,061	3,704	5,765	2,051	1,461	590	63.8	1,315
1962	1,224	1,891	2,315	3,714	6,029	2,004	1,474	530	58.9	1,364
1963	1,176	1,994	2,344	4,025	6,369	2,046	1,437	609	57.7	1,352
1964	1,078	2,067	2,227	4,323	6,550	2,054	1,505	549	59.2	1,319
1965	977	1,898	1,855	4,496	6,351	2,000	1,461	539	65.1	1,207
1966 2/	976	1,894	1,847	4,351	6,198					
United States and Puerto Rico										
Average: 1947-49	1,710	1,200	2,045	3,012	5,057	1,942	1,447	495	45.6	932
1950	1,636	1,256	2,055	3,140	5,195	2,003	1,479	524	51.4	1,056
1951	1,816	1,301	2,360	3,192	5,552	2,106	1,522	584	50.8	1,200
1952	1,808	1,266	2,290	3,446	5,736	2,083	1,585	498	49.6	1,136
1953	1,675	1,250	2,093	3,653	5,746	2,028	1,513	515	51.9	1,086
1954	1,706	1,336	2,278	3,718	5,996	1,959	1,443	516	50.8	1,157
1955	1,532	1,451	2,223	4,037	6,260	2,090	1,442	648	52.8	1,174
1956	1,390	1,583	2,200	4,170	6,370	1,960	1,403	557	53.5	1,176
1957	1,148	1,475	1,694	4,410	6,104	1,948	1,420	528	55.6	943
1958	1,102	1,599	1,762	4,156	5,918	1,956	1,420	536	59.5	1,048
1959	1,179	1,547	1,825	3,962	5,787	1,954	1,450	504	57.9	1,057
1960	1,170	1,685	1,972	3,833	5,805	2,058	1,491	567	60.5	1,193
1961	1,201	1,741	2,092	3,747	5,839	2,083	1,493	590	63.4	1,326
1962	1,253	1,876	2,350	3,756	6,106	2,032	1,502	530	58.6	1,378
1963	1,206	1,970	2,376	4,074	6,450	2,076	1,467	609	57.5	1,365
1964	1,109	2,043	2,265	4,374	6,639	2,080	1,531	549	58.8	1,333
1965	994	1,883	1,871	4,559	6,430	2,027	1,488	539	64.8	1,212
1966 2/	989	1,882	1,862	4,403	6,265					

1/ For flue-cured and cigar wrapper, year beginning July 1; for all other types, Oct. 1.

2/ Preliminary.

Table 31.--Tobacco manufacturing corporations: Net sales, net income, and profit ratios, for specified periods

Period	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Mil. dol.	Mil. dol.	Mil. dol.	Ct.	Ct.	Pct.	Pct.
Average:							
1947-51	3,058	252	141	8.2	4.6	20.4	11.5
1952-56	3,779	351	159	9.3	4.2	22.6	10.2
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1959	4,908	551	265	11.2	5.4	27.8	13.4
1960	5,139	577	281	11.2	5.5	27.5	13.4
1961	5,300	630	303	11.9	5.7	28.3	13.6
1962	5,340	634	306	11.9	5.7	27.1	13.1
1963	5,563	675	327	12.1	5.9	27.6	13.4
1964	5,836	664	345	11.4	5.9	25.8	13.4
1965	6,006	665	354	11.1	5.9	25.4	13.5
Quarterly							
1965							
1	1,384	145	76	10.5	5.5	22.0	11.5
2	1,529	171	92	11.2	6.0	26.5	14.3
3	1,561	185	96	11.9	6.1	28.2	14.6
4	1,532	164	90	10.7	5.9	24.8	13.6
1966							
1	1,484	152	80	10.2	5.4	23.0	12.1
2	1,663	188	103	11.3	6.2	27.0	14.8

Note: Data include non-tobacco enterprises of tobacco manufacturing corporations. Compiled and adapted from Quarterly Financial Reports for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

Table 32.--Total expenditures for tobacco products, 1946-66

Year	Total	Cigarettes	Cigars	Other <u>1/</u>	Year	Total	Cigarettes	Cigars	Other <u>1/</u>
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
1946	3,478	2,656	542	280	1956	5,481	4,681	556	244
1947	3,869	3,044	547	278	1957	5,877	5,072	562	243
1948	4,143	3,307	548	288	1958	6,182	5,341	584	257
1949	4,246	3,437	520	289	1959	6,764	5,854	629	281
1950	4,392	3,586	514	292	1960	7,187	6,244	649	294
1951	4,685	3,876	526	283	1961	7,472	6,538	631	303
1952	5,073	4,246	545	282	1962	7,608	6,675	634	299
1953	5,264	4,436	560	268	1963	8,004	7,055	649	300
1954	5,104	4,292	552	260	1964	8,116	7,048	746	322
1955	5,217	4,409	550	258	1965 <u>2/</u>	8,652	7,626	719	307
					1966 <u>3/</u>	9,210	8,200	705	305

1/ Smoking, chewing, and snuff. 2/ Subject to revision. 3/ Estimated. Note: These series on expenditures supersede those in table 31, page 58, March 1965 Tobacco Situation.

STATISTICAL SUMMARY

Item	Unit or base period	1965		1966			Last data as percentage of a year earlier
		Oct.	Nov.	Sept.	Oct.	Nov.	
Average price at auctions							
Flue-cured	Ct. per lb.	63.9	63.6	68.5	65.6	60.0	94
Burley	Ct. per lb.	Closed	68.6	C - 1 - o - s - e - d		68.8	100
Maryland	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Virginia fire-cured	Ct. per lb.	Closed	42.2	C - 1 - o - s - e - d			---
Ky.-Tenn. fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Virginia sun-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Support price levels 1/							
Flue-cured	Ct. per lb.	57.7			58.8		102
Burley	Ct. per lb.	59.5			60.6		102
Maryland	Ct. per lb.	52.8			No support		---
Virginia fire-cured	Ct. per lb.	40.4			41.1		102
Ky.-Tenn. fire-cured	Ct. per lb.	40.4			41.1		102
Ky.-Tenn. dark air-cured	Ct. per lb.	35.9			36.6		102
Virginia sun-cured	Ct. per lb.	35.9			36.6		102
Connecticut Valley cigar binder	Ct. per lb.	41.2			42.0		102
Wis. binder and Ohio filler	Ct. per lb.	29.7			30.3		102
Puerto Rican filler	Ct. per lb.	30.9			31.5		102
Parity index 2/	1910-14=100	322	322	337	337	337	105
Industrial production index 3/	1957-59=100	146	147	158	159	158	107
Employment	Mil.	73.2	72.8	74.3	74.7	75.0	103
Personal income 4/	Bil. dol.	547	553	590	594	598	108
		1965		1966			
		Sept.	Oct.	Aug.	Sept.	Oct.	
Tax-paid removals							
Cigarettes	Bil.	44.1	41.8	50.7	46.4	43.5	104
Cigars	Mil.	740.4	765.1	757.6	752.2	736.3	96
Accumulated from Jan. 1							
Cigarettes	Bil.	388.5	430.3	351.3	397.7	441.2	103
Cigars	Mil.	6,426.5	7,191.6	5,420.4	6,172.6	6,908.9	96
Smoking tobacco	Mil. lb.	52.1	---	---	**49.3	---	95
Chewing tobacco	Mil. lb.	49.1	---	---	**48.9	---	100
Snuff	Mil. lb.	22.3	---	---	**22.8	---	102
Tax-free removals							
Cigarettes	Bil.	4.0	3.7	3.9	3.5	3.8	103
Exports	Bil.	1.9	1.9	2.1	1.9	2.0	105
Cigars	Mil.	19.3	18.7	13.9	13.7	13.1	70
Accumulated from Jan. 1							
Cigarettes	Bil.	32.7	36.5	31.4	34.9	38.7	106
Exports	Bil.	17.1	19.1	16.3	18.3	20.3	106
Cigars	Mil.	132.9	151.6	135.7	149.4	162.5	107
Smoking tobacco	Mil. lb.	2.2	---	---	**3.2	---	145
Chewing tobacco	Mil. lb.	.4	---	---	** .5	---	125
Wholesale price indexes 5/							
Cigarettes (reg. nonfilter)	1957-59=100	109.5	109.5	114.1	114.1	114.1	104
Cigars	1957-59=100	100.3	100.3	100.7	100.7	100.7	100
Smoking tobacco	1957-59=100	121.2	121.2	128.7	128.7	128.7	106
Plug chewing tobacco	1957-59=100	123.9	123.9	133.3	133.3	133.3	108
Snuff	1957-59=100	115.0	115.0	127.7	127.7	127.7	111
Consumer price indexes (urban) 6/			Dec.				
Cigarettes (reg. nonfilter)	1957-59=100	---	128.2	---	132.5	---	#103
Cigarettes (King & filter)	Mar. '59=100	---	122.5	---	126.5	---	#103
Cigars (dom. reg. size)	1957-59=100	---	100.6	---	102.6	---	#102
Imports of tobacco							
Cigarette leaf	Mil. lb.	12.0	10.2	12.4	12.6	12.6	124
Cigar tobacco 7/	Mil. lb.	5.4	4.5	6.4	5.4	6.0	133
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	106.7	116.9	91.3	103.8	116.4	100
Cigar tobacco 7/	Mil. lb.	57.0	61.6	43.5	48.9	54.9	89

See footnotes at end of table.

Continued -

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1965		1966			Last data as percentage of a year earlier
		Sept.	Oct.	Aug.	Sept.	Oct.	
Exports of leaf tobacco							
(farm-sales weight)							
Flue-cured	Mil. lb.	46.3	34.2	55.7	64.8	69.0	202
Burley	Mil. lb.	6.9	5.1	6.1	5.5	2.1	41
Maryland	Mil. lb.	1.3	3.0	.6	.2	2.2	73
Virginia fire- & sun-cured	Mil. lb.	1.7	.8	.1	1.0	1.7	212
Ky.-Tenn. fire-cured	Mil. lb.	1.3	5.2	2.4	1.7	1.2	23
Ky.-Tenn. dark air-cured	Mil. lb.	.1	.4	*	*	*	---
Black Fat	Mil. lb.	.5	.5	.3	.4	.1	20
Cigar wrapper	Mil. lb.	.3	.3	.3	.5	.5	167
Connecticut binder	Mil. lb.	*	.1	.1	.2	.1	100
Wisconsin binder	Mil. lb.	*	.1	*	*	0	---
Accumulated from beginning of marketing year <u>8/</u>							
Flue-cured	Mil. lb.	109.9	144.1	95.4	160.3	228.4	159
Burley	Mil. lb.	55.7		51.6	57.1		103
Maryland	Mil. lb.	9.6		10.8	11.0		115
Virginia fire- & sun-cured	Mil. lb.	6.8		4.6	5.6		82
Ky.-Tenn. fire-cured	Mil. lb.	19.1		23.8	25.5		134
Ky.-Tenn. dark air-cured	Mil. lb.	2.1		1.6	1.6		76
Black Fat	Mil. lb.	3.8		3.7	4.1		108
Cigar wrapper	Mil. lb.	1.3	1.6	.7	1.2	1.7	106
Connecticut binder	Mil. lb.	2.1		1.9	2.1		100
Wisconsin binder	Mil. lb.	.6		.3	.3		50
Exports of manufactured tobacco							
in bulk	Mil. lb.	.6	.6	1.2	1.5	1.1	183
Accumulated from Jan. 1	Mil. lb.	8.4	9.0	8.7	10.2	11.3	126
Quarterly data							
		1965		1966			
		July-Sept.	Oct.-Dec.	July-Sept.	Oct.-Dec.		
Stocks of tobacco <u>9/</u>							
Domestic types							
(farm-sales weight)							
Flue-cured	Mil. lb.	2,555	2,898	2,439	2,736		94
Burley	Mil. lb.	1,584	1,416	1,563	1,395		99
Maryland	Mil. lb.	104	99	108	100		101
Fire-cured	Mil. lb.	134	120	125	113		94
Dark air- and sun-cured	Mil. lb.	72	66	71	65		98
Cigar filler	Mil. lb.	232	209	214	196		94
Cigar binder	Mil. lb.	75	71	75	70		99
Cigar wrapper	Mil. lb.	22	29	25	31		107
Under Government loan <u>10/</u>	Mil. lb.	1,324	1,329	1,189	1,127		85
Tobacco sheet <u>11/</u>							
Cigarette types	Mil. lb.	7.2	7.7	12.2	12.6		164
Cigar types	Mil. lb.	2.4	2.4	2.9	2.4		100
Foreign types (farm-sales wt.)							
Cigarette and smoking	Mil. lb.	317	283	365	325		115
Cigar	Mil. lb.	132	128	114	107		84
Tobacco outlets <u>12/</u>							
Seasonally adjusted data,							
annual rates, for charts, p.2:							
Cigarettes							
Production	Bil.	552	551	560	573		104
Tax-paid removals	Bil.	506	511	522	518		101
Cigar production	Bil.	8.85	8.50	8.17	8.38		99
Smoking production	Mil. lb.	69.8	70.7	66.5	71.1		101
Chewing production							
Scrap	Mil. lb.	35.3	33.8	35.5	34.0		101
Plug and other	Mil. lb.	31.9	30.6	31.0	29.8		97
Snuff production	Mil. lb.	30.5	30.2	29.0	30.1		100
Exports of leaf							
Total	Mil. lb.	530	619	730	665		107
Flue-cured	Mil. lb.	414	452	604	522		115

1/1965 and 1966 crops respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ Federal and applicable state and local taxes included. 7/ Farm-sales weight equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. *Less than 50,000 pounds. **C&MS--invoiced domestic and exports. #Percentage covers period from December 1965 to September 1966.

LIST OF TABLES

<u>Table</u>	<u>Title</u>	<u>Page</u>
1	Cigarettes: Total output, domestic consumption, shipments and exports for specified periods	6
2	Cigarette exports from the United States to leading destinations for specified periods ...	6
3	Large cigars and cigarillos: Output and consumption for specified periods	8
4	Small cigars (weighing <u>not more than 3 pounds per thousand</u> and approximately cigarette size): Output and removals for specified periods	8
5	Smoking tobacco: Output, removals, foreign trade, and consumption for specified periods..	11
6	Chewing tobacco and snuff: Output by category for specified periods	11
7	United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods	13
8	United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods ..	16
9	United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods	18
10	United States general imports of tobacco, from principal supplying countries, for specified periods	19
11	Flue-cured tobacco: Average price per pound (gross sales) and percentage comparisons by belt, 1951-66	21
12	Flue-cured tobacco: Volume of gross sales (including resales) and percentage distribution by belt, 1951-66	22
13	Flue-cured tobacco: Receipts under Government loan and percentage distribution by belt, 1951-66	23
14	Quantities and prices of <u>untied</u> and <u>tied</u> flue-cured tobacco, types 11-13 in specified periods of 1966, 1965 and 1964 marketing seasons	24
15	Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods	26
16	Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods	29
17	Maryland tobacco, type 32: Domestic supplies, disappearance, season average price, and price support operations for specified periods	32
18	Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods	34
19	Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods	35
20	Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods	38
21	Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods	39
22	Cigar tobacco types: Government price support levels, 1963-66, and season average prices, 1963-65	41
23	Cigar tobacco price support operations, quantities placed under loan, 1955-65, and remaining under loan, November 30, 1966	41
24	Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods	43
25	Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods	44
26	Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods	45
27	Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods	46
28	Acreage of tobacco in the United States, by class and type, 1962-66, and percentages	49
29	Tobacco: Acreage and yield per acre, by types or groups of types for specified periods ..	50
30	Tobacco: Acreage, yield, production, stocks, supply, disappearance, price and crop value, United States and United States including Puerto Rico, for specified years (farm-sales weight)	51
31	Tobacco manufacturing corporations: Net sales, net income, and profit ratios, for specified periods	52
32	Total expenditures for tobacco products, 1946-66	52
	Statistical Summary	53

OFFICIAL BUSINESS

NOTICE

If you no longer need this publication,
check here ☐ return this sheet,
and your name will be dropped from
the mailing list.

If your address should be changed,
write the new address on this sheet
and return the whole sheet to:

Division of Administrative Services (ML)
Office of Management Services
U. S. Department of Agriculture
Washington, D. C. 20250.

TS-118

- 56 -

DECEMBER 1966

LIST OF CHARTS

Export Markets for U.S. Tobacco.....	Cover
Tobacco outlets--recent trends.....	2
Cigarettes	
Cigars and cigarillos	
Smoking tobacco	
Chewing tobacco	
Snuff	
Leaf exports	
Burley tobacco--average acreage allotment and yield.....	28